EXEC **La. Commission on Law Enforcement and the Administration of Criminal Justice** **SCH. # 01-129**
Analyst: Evan Brasseaux

Issue: **LCLE will begin evaluation of the DARE program in FY 00-01.**

Indicator: Number of DARE grants awarded

QUARTERLY	PRIOR YEAR	CURRENT TARGET	ACTUAL	ACTUAL /EST
Q1	13			0.0%
Q2	93	95	97	2.1%
Q3	98			0.0%
Q4	100	95	104	9.5%

ANNUAL	
PRIOR YR	100
CURRENT YEAR TARGET	95
PERFORMANCE STANDARD	95
YTD ACTUAL	104
VARIANCE FROM STANDARD	0.095

Indicator: Dollar amount of DARE grants

QUARTERLY	PRIOR YEAR	CURRENT TARGET	ACTUAL	ACTUAL /EST
Q1	$392,130			0.0%
Q2	$4,075,094	$4,300,000	$4,175,484	(2.9%)
Q3	$4,223,229			0.0%
Q4	$4,300,000	$4,300,000	$4,300,000	0.0%

ANNUAL	
PRIOR YR	$4,300,000
CURRENT YEAR TARGET	$4,300,000
PERFORMANCE STANDARD	$4,300,000
YTD ACTUAL	$4,300,000
VARIANCE FROM STANDARD	0

Analysis of Indicators:

These indicators measure the number of Drug Abuse Resistance Education (DARE) grants awarded and the total dollar amount of those grants. These indicators are part of an objective to allocate and administer demand reduction and drug prevention grant funds to approximately ninety-five eligible agencies. The target number of grants awarded of ninety-five grants is based primarily on the number of grants awarded in the previous fiscal year. The target dollar amount of DARE grants represents the appropriation to the program, which has remained constant since inception of the state funded program.

The DARE program is a substance abuse and violence prevention program which employs local law enforcement officers certified in the national DARE curriculum who provide training to kindergarten through twelfth graders in a classroom setting. The program is designed to teach children assertiveness and the ability to resist peer pressure to experiment with alcohol, tobacco, marijuana, and other drugs. The program was first employed by the state of Louisiana in Fiscal Year 1995 by the Louisiana Commission on Law Enforcement and the Administration of Criminal Justice (LCLE) to administer grants to local law enforcement agencies to employ the national DARE program in local schools. Local law enforcement agencies use DARE as a tool to increase community policing efforts and to impede the use of drugs by youths.

The DARE program is one day a week, seventeen week course led by a specially trained local law enforcement officer in a classroom setting in the presence of a certified teacher to supplement the classroom activities. The program applies several teaching techniques including question and answer, group discussion, role-play, and workbook exercises. The state grant funds are used to support the elementary and junior high programs.

Due to the concerns over the effectiveness of the program, Louisiana Commission on Law Enforcement has awarded a grant to the Louisiana State DARE Training Center to contract with an evaluator to complete an assessment of the program. Requests for proposals were due on October 16, 2000. Proposals will be graded and a contractor selected by October 23, 2000. The anticipated date for project completion is March 15, 2001. The cost of this evaluation is approximately $50,000 and will be funded through the statutorily dedicated (Act 832 of 1989) Drug Abuse Education and Treatment Fund which generates fees on convicted drug offenders who are placed on supervised probation by the judicial system.

In addition, a pre/post test developed by DARE America will be administered in a sample of schools in FY 00-01 which it hopes will validate the program. A sample of 33 schools has been drawn to be included. Most of the testing will be conducted in the spring semester. The cost of this test will be approximately $15,000 and will be funded through DARE funds which are awarded to the DARE State Training Center.

Budget Impact:

The LCLE administered DARE program has been funded at $4.3 million in state general funds annually since Fiscal Year 1995. However, this amount was reduced in FY 00-01 to $3,859,478. The funding is expended through the other charges category as a grant program available to qualified local law enforcement agencies.

According to the LCLE, this level of funding for FY 00-01 will result in a reduction of targeted schools and students. As the core level for this program continues to be the 5th and 6th graders, this area will be affected the least by the funding reduction. There will be a 5% decrease in the number of these classes targeted and a 6% decrease in the number of core students targeted. On the other hand, there will be a 23% decrease in the number of junior high schools targeted, a decrease of 26% in junior high classes targeted, and a decrease of 26% in junior high students targeted.

LFO Comment:
These indicators, measuring the number of grants and the total dollar amount of DARE grants, provide the user with general performance data about the program with respect to size and state involvement in the DARE program. However, with the considerable concern regarding the effectiveness of the program being raised during the 2000 Legislative Session, this information should be considered a "first step" in any judgement or decisions made on the program. The Legislative Fiscal Office is not aware of any data or study conducted on the effectiveness of the DARE program in Louisiana prior to these. Therefore, this information will certainly be informative and should be useful in making a determination as to the continued funding of the program. However, it is critical that any information provided with regard to this program be free of any manipulation on the part of LCLE in order to give the Legislature unbiased information with which it will base its decisions on the future of DARE.

In addition, the LCLE should consider a longitudinal study which tracks program participants and the success of the program in the students avoidance of drug-related crimes. This would be the only true indicator of whether the program is successful in reaching its goal.

Elections & Registration **Commissioner of Elections** **SCH. # 04-144**
Analyst: Shanda Jones

Issue: **It costs approximately $4.2 million to maintain, store, and transport voting machine equipment used during the elections process. The Department of Elections & Registration needs to continue efforts to streamline operations by implementing measures that will reduce the costs associated with the administration of voting machine equipment.**

1 Indicator: Total # of voting machines (all types)

QUARTERLY	PRIOR YEAR	CURRENT TARGET	ACTUAL	ACTUAL /EST	ANNUAL	
					PRIOR YEAR	8,545
Q1	8,505	8,522	8,545		CURRENT YEAR TARGET	8,522
Q2	8,505	8,522	8,545	0.3%	PERFORMANCE STANDARD	8,522
Q3	8,545	8,522	8,548		YTD ACTUAL	8,548
Q4	8,545	8,522	8,548	0.3%	VARIANCE FROM STANDARD	0.3%

2 Indicator: Average annual cost per voting machine to maintain statewide

QUARTERLY	PRIOR YEAR	CURRENT EST	ACTUAL	ACTUAL /EST	ANNUAL	
					PRIOR YEAR	$277.06
Q1	$305.43	$297.34	$295.13		CURRENT YEAR TARGET	$297.34
Q2	$295.49	$297.34	$308.81	3.9%	PERFORMANCE STANDARD	$297.34
Q3	$294.12	$297.34	$308.70		YTD ACTUAL	$280.56
Q4	$277.06	$297.34	$280.56	(5.6%)	VARIANCE FROM STANDARD	(5.6%)

3 Indicator: Average annual cost per voting machine to store statewide

QUARTERLY	PRIOR YEAR	CURRENT EST	ACTUAL	ACTUAL /EST	ANNUAL	
					PRIOR YEAR	$154.46
Q1	$147.92	$175.20	$174.44		CURRENT YEAR TARGET	$175.20
Q2	$176.19	$175.20	$160.61	(8.3%)	PERFORMANCE STANDARD	$175.20
Q3	$175.36	$175.20	$158.05		YTD ACTUAL	$160.69
Q4	$154.46	$175.20	$160.69	(8.3%)	VARIANCE FROM STANDARD	(8.3%)

4 Indicator: Average cost per voting machine to deliver to precinct

QUARTERLY	PRIOR YEAR	CURRENT EST	ACTUAL	ACTUAL /EST	ANNUAL	
					PRIOR YEAR	$44.92
Q1	$42.80	$48.83	$57.55		CURRENT YEAR TARGET	$48.83
Q2	$48.10	$48.83	$48.91	0.2%	PERFORMANCE STANDARD	$48.83
Q3	$46.65	$48.83	$48.81		YTD ACTUAL	$48.74
Q4	$44.92	$48.83	$48.74	(0.2%)	VARIANCE FROM STANDARD	(0.2%)

Analysis of Indicators:
The Department of Elections & Registration is responsible for procuring, maintaining, storing, and delivering voting machines statewide. Employees program mechanical and computerized voting machines and absentee ballot counting equipment for each local, statewide, and special election. Of the 8,548 voting machines used for elections, there are approximately 4,221 mechanical machines with printout capabilities (AVM POM) that are used by 78.1% of the parishes; 3,992 computerized machines with printout capabilities (AVC Advantage) that are used by 18.8% of the parishes; and 335 mechanical machines without printout capabilities (Shoup 2.5) that are used by 3.1% of the parishes. One of the objectives of the Department is to replace mechanical, non-printing voting machines with computerized voting machines with printout capabilities in large metropolitan areas of the state. The Department has indicated that there are plans to replace the Shoup 2.5 voting machines with computerized voting machines, however, to date that has not been done. The current administration is in the process of determining which type of voting machine to purchase or lease. The voting machines are currently stored in 65 warehouses located across the state.

Budget Impact:
It could cost the Department of Elections & Registration a maximum annual average of $4,188,434.52 to maintain, store, and deliver the different types of voting machines. This figure is calculated as follows:

Average annual maintenance cost	$280.56 x 8,548 = $2,398,226.88
Average annual storage cost	$160.69 x 8,548 = $1,373,578.12
Average annual delivery cost	$48.74 x 8,548 = $416,629.52
Average annual total cost	$4,188,434.52

LFO Comment:
The Department of Elections & Registration's responsibility of maintaining, storing, and delivering voting machines is costly. Cost saving measures are currently being considered by the Department, such as, whether or not to purchase new voting machines, lease voting machines, contract out the whole elections process, or some combination of the three options. The Department indicated that purchasing new machines is a costly option, however, the computer software that would be used can be easily upgraded. Renting the voting machines would greatly reduce costs associated with warehouse space and save on transportation costs. Savings might also be realized if the elections process is contracted out to a certified company. Currently, there are four viable companies that can possibly handle the elections process should the decision to contract out all, or part, of the elections process be made by the state. The Department indicated that discussions are currently being conducted with such companies, and plans are underway to have each company make a

presentation before certain legislative committees in order to help facilitate the decision-making process. The Department should also consider storing the machines in publicly-owned facilities, which could result in savings of storage and delivery costs.

DED **Office of Secretary** **SCH. # 05-251**

Analyst: Julie A. Samson

Issue: **The Department of Economic Development experienced a dramatic slow down in the number of training contracts entered and the number of workers trained.**

Indicator: Workforce Development and Training

Indicator: Number of Training Contracts (cumulative #)

QUARTERLY	PRIOR YEAR	CURRENT TARGET	ACTUAL	ACTUAL /EST	ANNUAL	
					PRIOR YEAR	24
Q1	0	10	0	(100.0%)	CURRENT YEAR TARGET	40
Q2	20	20	2	(90.0%)	PERFORMANCE STANDARD	40
Q3	21	30	6	(80.0%)	YTD ACTUAL	6
Q4	24	40	6	(85.0%)	VARIANCE FROM STANDARD	-85%

Indicator: Number of Workers Trained (cumulative #)

QUARTERLY	PRIOR YEAR	CURRENT EST	ACTUAL	ACTUAL /EST	ANNUAL	
					PRIOR YEAR	7,204
Q1	0	1,125	0	(100.0%)	CURRENT YEAR TARGET	4,500
Q2	7204	2,250	182	(91.9%)	PERFORMANCE STANDARD	4,500
Q3	7204	3,375	1,857	(45.0%)	YTD ACTUAL	1,857
Q4	7204	4,500	1,858	(58.7%)	VARIANCE FROM STANDARD	-58.7%

Analysis of Indicators:

The Department receives funding from Vendor's Compensation to the Workforce Development and Training Fund for the Workforce Development and Training Program. R.S. 51:2233 states that,"The purpose of the program is to develop and provide customized workforce training programs to existing and prospective Louisiana businesses". The above indicators are intended to illustrate the state's progress in achieving this purpose.

At year-end Fy 00 the Louisiana Department of Economic Development, Workforce Development and Training Program, experienced an extreme slow down in the number of training contracts entered. Fewer contracts entered resulted in fewer than targeted workers being trained.

The failure to reach the indicators'performancestandard is due, at least in part, to a specific directive by the Governor's Office which restricts the eligibility of businesses to qualify for training. In June of 1999, the Governor's Office directed the Department, to begin only offering training to companies that had been in the state less than three years, companies that were locating to Louisiana, or companies currently in the state that were expanding to new areas. This would in turn make the Department of Labor the sole provider of training to companies who have been in the state for three or more years. This directive reduced the number of companies that DED could provide training to and as a result reduced the number of workforce development and training contracts. Due to the Department's customer base being reduced by this directive, the Department has lowered their standard for FY 01 to 20 contracts.

Additionally, the passage of legislation to replace the Department with Louisiana, Inc., subject to voter approval, may have created some uncertainty as to the continuity of the program According to the Department, they experienced a slow down in the number of inquiries resulting in a reduction in the number of workforce development and training contracts. The Legislative Fiscal Office believes that, though there may have been a slow down in inquiries, the Department should generate leads independently.

As a consequence of the directive from the Governor's Office and a slow down within the Department as a result of Louisiana Inc., the number of training contracts fell dramatically. In FY 99, DED entered into 24 training contracts and trained 7,204 employees. In FY 00, the number of training contracts fell to 6 and only 1,858 employees were trained. This is an 85% decrease in the number of contracts and a 58% decrease in the number of employees trained.

Budget Impact:

The Louisiana Department of Economic Development receives appropriations in the form of Statutory Dedications from Vender's Compensation to the Workforce Development and Training Fund. This fund may receive a maximum appropriation of $6.5 million per year. In addition to these funds DED receives $150,000 from the Marketing Fund for administration of the program.

In FY 00 $1,488,922 was paid out in the form of training projects. <u>Therefore, at year-end, there was a fund balance of approximately $5 million. This fund balance stays in the fund and may be appropriated the next fiscal year.</u>

LFO Comment:

For fiscal year 2000-2001 the Department has lowered its performance standard to 20 contracts per year. This standard was lowered due to the directive from the Governor's Office and seems reasonable since the Agency's customer base has been reduced. With these adjustments and by having a more aggressive staff the Department's new target of 20 seems to be more inline for next fiscal year despite only achieving 6 contracts in FY 2000. In December of 1999 DED raised the maximum Workforce Development and Training contract amount from $250,000 to $500,000. Therefore the Department should expend a larger portion of their funding in upcoming fiscal years The Workforce Development and Training Program will be administered by Louisiana Inc. if approved by the voters.

Note: Targets for these indicator are cumulative, however actual data reported in the LAPAS system was reported per quarter and not cumulatively. Therefore, the numbers in the LAPAS system, used by the Legislature and staff to base its decisions are inaccurate. The importance of accuracy needs to be stressed to all agencies and a better system of coordination and review needs to be put in place to insure accuracy of reported data.

DED **Louisiana Racing Commission** **SCH. # 05-254**

Analyst: Julie A. Samson

Issue: **The Louisiana Racing Commission tested fewer than targeted equine and more than targeted humans in FY' 00.**

Indicators: Drug Testing on Racing Participants

Indicator: Number of equine samples tested annually

QUARTERLY	PRIOR YEAR	CURRENT TARGET	ACTUAL	ACTUAL /EST	ANNUAL	
					PRIOR YEAR	5,180
Q1		1,430	1,429	(0.1%)	CURRENT YEAR TARGET	5,270
Q2		2,600	1,865	(28.3%)	PERFORMANCE STANDARD	5,270
Q3		3,890	3,795	(2.4%)	YTD ACTUAL	5,113
Q4	5,180	5,270	5,113	(3.0%)	VARIANCE FROM STANDARD	-3%

Indicator: Number of human samples tested annually

QUARTERLY	PRIOR YEAR	CURRENT TARGET	ACTUAL	ACTUAL /EST	ANNUAL	
					PRIOR YEAR	1,125
Q1		350	357	2.0%	CURRENT YEAR TARGET	1,026
Q2		610	435	(28.7%)	PERFORMANCE STANDARD	1,120
Q3		790	759	(3.9%)	YTD ACTUAL	1,103
Q4	1125	1026	1103	7.5%	VARIANCE FROM STANDARD	-2%

Analysis of Indicators:

Data Analysis:

The objective of the Racing Commission is to test at least 15 horses and at least 3 humans per day during live race meets annually. The above indicators show that at midyear the racing commission had not been testing as many participants as originally intended. Year-end indicators show that the commission is close to its performance standard for testing of equine and has exceeded the performance standard in testing of humans.

The indicator, number of human samples tested annually, has exceeded its standard due to an increase in special requests ordered by the stewards. Stewards, which act as judges at racing events, have the ability to not only require random drug tests, but may also require a test if they expect drug or alcohol use.

It is the Racing Commissions goal to insure that every horse and jockey are physically fit to race and that competing horses have not been administered any medication not specifically allowed within a specified time prior to the race. Humans are tested at random or at a steward's discretion and horses are tested based on circumstances. Each horse is tested that wins a race.

Budget Impact:
The Agency is financed with Self-generated Revenue that is collected from taxes on pari-mutuel wagering, admissions to race tracks, occupational licenses, fines, forfeited appeal fees and examination fees. The Agency also receives Statutory Dedications from Video Draw Poker.

Act 11 of the 2000 2nd Extraordinary Session provided additional funding to the Racing Commission of $33,000 in Fees and Self-generated Revenue. This increase will fund a contract with LSU for Drug Testing, specifically to allow for the purchase of equipment.

Additional funding was also provided for testing for a new pre race stimulant. This required an expenditure increase in Self-generated Revenue of $51,300 ($10 X 15 horses per live race day X 342 days).

LFO Comment:
If the Racing Commission is to continue regulating the racing industry, one important aspect is drug testing of participants. For the Agency to perform it will need adequate funding. The Legislature will need to determine how much testing is necessary in this industry.

DOTD **Engineering and Operations** **SCH. # 07-276**
Analyst: Evan Brasseaux

Issue: **Inaccurate data reported on LaPAS System**

Indicator: Tolls as a percent of operating costs

QUARTERLY	PRIOR YEAR	CURRENT TARGET	ACTUAL	ACTUAL /EST	ANNUAL	
					PRIOR YR	0.1137
Q1					CURRENT YEAR TARGET	0.1443
Q2	0.0898	**0.1443**	**0.1443**	0.0%	PERFORMANCE STANDARD	0.1443
Q3					YTD ACTUAL	0.1443
Q4	0.1137	**0.1443**	**0.1443**	0.0%	VARIANCE FROM STADARD	0

Indicator: Tolls collected on ferries

QUARTERLY	PRIOR YEAR	CURRENT TARGET	ACTUAL	ACTUAL /EST	ANNUAL	
					PRIOR YR	392,761
Q1					CURRENT YEAR TARGET	367,200
Q2	193,458	183,600	99,153	(46.0%)	PERFORMANCE STANDARD	435,000
Q3					YTD ACTUAL	215,200
Q4	392,761	367,200	**215,200**	(41.4%)	VARIANCE FROM STADARD	(1)

Analysis of Indicators:
These indicators measure tolls on the three ferries (Jackson Ave., Canal St./Algiers, Chalmette/Lower Algiers) operated under the Bridge Trust Program in the Department of Transportation and Development as well as the percent of operating costs these tolls cover. The DOTD has reported both of the year-end totals for these indicators on the LaPAS system.

The Legislative Fiscal Office questioned the precision with which the agency estimated tolls and achieved a target calculated to the fourth digit. It would be practically impossible to estimate this number exactly. In addition, the LFO questioned the figures shown above for tolls collected on ferries for reasons of inconsistency with other reported numbers. **<u>The Department of Transportation and Development, when confronted with these figures, agreed that both of the year-end totals shown above are incorrect. DOTD has provided information showing that the ferry tolls collected in FY 99-00 is actually $443,034.48 and not $215,200. In addition, the total operating costs for this ferry system for FY 99-00 is $4,783,329. Therefore, tolls as a percent of operating costs should actually be 9.2% and not 14.43% as reported on LaPAS. The New Orleans ferry system has only four performance indicators. Two of the four indicators have incorrect data reported in the LaPAS system.</u>**

Budget Impact:
Information received from the Crescent City Connection Division shows that tolls were actually $227,834 greater than the amount listed above. These tolls are a small portion of the means of finance for the ferry system. Self-generated fees from tolls on the Crescent City Connection and federal funds also pay for the $4.7 million in operating costs.

LFO Comment:
Analysis of the figures provided through the LaPAS system show inaccuracies on two indicators. When the Assistant Executive Director of the Crescent City Connection Division was contacted by the LFO regarding these figures, he immediately detected the inaccuracies. However, he appeared to not have any knowledge of who entered these inaccurate numbers and why. **Inaccuracies of this nature can lead to faulty decision-making on the part of the Legislature and its staff. Therefore, the LFO recommends that DOTD, as well as other agencies, provide better coordination in order that administrators with intimate knowledge of a program have greater responsibility for the accuracy of the programs they oversee. Inaccuracies of this nature bring about questions as to the reliability of all information provided through this system and how many decisions have been made in the past on unreliable data.**

Public Safety **Management and Finance** **SCH. # 08-418**
Analyst: Blanchard

Issue: The number of NSF received in FY 1999-00 far exceeds the previous year amount. In addition, despite efforts to collect on NSF checks, DPS still has approximately $1.5 million in outstanding NSF checks.

Indicator: Number of NSF checks returned

QUARTERI	PRIOR YEAR	CURRENT TARGET	ACTUAL	ACTUAL /EST
Q1				
Q2		500	1651	230.2%
Q3				
Q4	2440	700	3263	366.1%

ANNUAL	
PRIOR YEAR	2,440
CURRENT YEAR TARGET	1,200
PERFORMANCE STANDARD	2,250
YTD ACTUAL	3,263
VARIANCE FROM STANDARD	45.0%

Analysis of Indicators:
The Office of Management and Finance (M&F) had 3,263 checks from FY 1999-2000 that were returned for nonpayment (NSF), and an outstanding balance of $1.5 million in NSF checks. Approximately 90% of these funds are related to personal and business checks for vehicle registration costs. The remainder is due largely to NSF checks written to State Police for costs associated with its motor carrier safety program and a small amount in the Office of State Fire Marshal. Although this was not a performance indicator in previous years, the prior year actual was 2,440 NSF checks returned and is included in the above table. In addition, the performance standard is 2,250 NSF checks returned.

Budget Impact:
Public Safety wrote off its books over $325,000 in uncollectible funds in the mid 1990s. The outstanding returned check balance for DPS as of June 30, 2000 is $1,461,229. $910,997 was accrued within the five year prescriptive period (7/01/1995-6/30/2000) and includes the balance of $291,427 in FY 1999-00 shown below, while $550,342 was accrued beyond the (5) year prescription (prior to 7/01/1995). The amount outstanding includes those which have proved uncollectible by the Department of Revenue. Currently, DPS has no authority to write off any of this balance.

The Office of Motor Vehicles had a total amount of $1,459,639 in returned checks in FY 99-00. Approximately $580,000 were returned due to stale dated checks (a check no longer negotiable), while another $98,000 were returned due to two signatures required. This leaves $781,688 in NSF checks that were returned in FY 99-00. Motor Vehicles reports that they collected $490,262, leaving an outstanding uncollected balance of $291,427. While the collection rate is 63%, Public Safety must seek alternative ways to reduce the uncollectible fees.

Currently, DPS is actively pursuing ways to curtail this problem. Discussions have begun with several entitites regarding a check writing security service that will guarantee payments such as that utilized by retailers. In addition, the Treasurer is looking at the same issue for statewide use. While this is the ideal solution, other smaller steps have been taken to recover some of the lost collections. A couple of weeks ago, DPS started sending letters to people in the database who have written NSF checks over the past five years. Letters were sent to 2,800 of the 5,000 names in the database. The letters stated that the individual still owes for NSF checks written to DPS and that they have 30 days to pay or their license will be suspended.

LFO Comment:
The LFO recognizes the efforts being made by DPS to look into alternative means of decreasing the amount of funds being lost. **However, the LFO questions the apparent lack of agressiveness on the part of DPS. Six months have passed since the original report on this issue and DPS has yet to enter into a check writing security service contract and has only just begun to mail letters to individuals who are in the database for writing NSF checks to DPS.**

In addition, the LFO is concerned with the accuracy of the reported performance indicators. At the mid-year, DPS reported 750 returned checks. This figure was revised to 1,651 due to an inaccurate manual count. The revised figure as well as the year-end actual was obtained from the State Treasurer's Office.

Health and Hospitals **MV Administration** **SCH. # 09-305**
Analyst: Brian Crow

Issue: **Failure to request August 15th adjustment**

Indicator: Children enrolled as Title XXI by 6/30/00

QUARTERLY	PRIOR YEAR	CURRENT TARGET	ACTUAL	ACTUAL /EST	ANNUAL	
					PRIOR YEAR	18,598
Q1					CURRENT YEAR TARGET	39,075
Q2	4,058	27,901	26,581	(4.7%)	PERFORMANCE STANDARD	28,350
Q3					YTD ACTUAL	33,497
Q4	18,598	39,075	33,497	(14.3%)	VARIANCE FROM STANDARD	18.2%

Indicator: Children enrolled as Title XIX by 6/30/00

QUARTERLY	PRIOR YEAR	CURRENT TARGET	ACTUAL	ACTUAL /EST	ANNUAL	
					PRIOR YEAR	28,956
Q1					CURRENT YEAR TARGET	44,162
Q2	1,827	39,787	50,327	26.5%	PERFORMANCE STANDARD	44,162
Q3					YTD ACTUAL	29,612
Q4	28,956	44,162	29,612	(32.9%)	VARIANCE FROM STANDARD	(32.9%)

Analysis of Indicators:
The objective of DHH is to identify and enroll 75% of the uninsured children (birth through 18 years old) eligible for Medicaid and health insurance coverage under either Title XIX (Medicaid) or Title XXI (LaCHIP) of the Social Security Act.

For Title XXI enrollment, the target was based on a full 12 months of enrollment activity for Phase II of LaCHIP to cover children birth through 18 years old in families with incomes from 133% to 150% of the FPL. Since the implementation of Phase II in October 1999, the number of enrollees as of June 30, 2000 represent only 9 months of the program. DHH indicates that approximately 38,078 were actually enrolled by September 30, 2000 (97% of target).

The PI/PS for LaCHIP enrollees for FY 00 was not updated in the August 15th submission of changes even though the appropriation for Phase II impacted this PI. The PI/PS for FY 01 was adjusted for the implementation of LaCHIP up to 200% of the FPL. The adjustment should account for the time frame, as experience for Phase I and II have indicated that it takes a full year to enroll the target population.

Information provided by DHH indicates that the number of Title XIX enrollees has been impacted by the merging of 34,000 eligibility records due to the installation of Medicaid Eligibility Data System (MEDS) in July 1999. MEDS replaced the Welfare Information System (WIS), which had been shared with DSS. The agency failed to request an August 15th adjustment for this PI. When the agency fails to properly align targets and standards, the value of the PI is **meaningless**, as in this case--the actual number of Title XXI enrollees was 14.3% under the target, but exceeded the PS by 18.2%. Is this "good performance", "bad performance", or simply a failure to take performance indicators seriously?

Budget Impact

For FY 00, DHH was appropriated an additional $9.5 million ($8.7 million for payments) for Phase II of LaCHIP. Total expenditures for the program in FY 00 were $28.7 million. As of June 30, 2000, LaCHIP enrollees totaled 33,497 while there were 344,127 Medicaid children enrolled. Projected average cost for Title XIX children is $885 per child and $1,106 per child for Title XXI children. (Averages increase for FY 01)

For FY 01, an additional $8.5 million was appropriated for Phase III of LaCHIP. The program expands to include children in families with income up to 200% of the FPL. The enrollment is anticipated to reach 50,362 in LaCHIP and 359,427 in Medicaid by the end of the fiscal year.

Information provided by DHH indicates that plans for needs in FY 02 and FY 03 have not been completed as expenditure reports for Phase II have not been finalized at this time.

LFO Comment:

The LaCHIP Program (Phase I) was authorized by Act 128 of the the 1st Extraordinary Session of 1998. The legislation allowed DHH to implement Phase I on October 1, 1998 (with HCFA approval of the state plan). Phase II and III were authorized by Act 1197 of the Regular Session of 1999. In the second Extraordinary Session of 2000, funding of $8.5 million was appropriated in Act 11 for the implementation of Phase III.

Initial estimates provided by Tulane University in 1998 indicated that approximately 143,000 children in Louisiana were eligible for Medicaid but not enrolled in the program and that another 82,000 children living in families with income up to 200% of the FPL were uninsured. Since implementation of the LaCHIP Program in October 1998, an additional 40,605 children have been enrolled in Title XIX (Medicaid) and 38,078 children have been enrolled in Title XXI (LaCHIP). The total cost of Phase I and II of LaCHIP since implementation in November 1998 was $43.7 million. The estimated average cost per recipient in Title XIX is $950, while the estimated average cost in Title XXI is $1,272 (includes estimates for Phase III). This compares favorably with the SLC blended average payment per Medicaid recipient for FFY 98 ($1,547) and FFY 99 ($1,552) for this age group (birth through 18).

Performance indicators in Act 11 were adjusted for FY 01 to more accurately reflect the estimated number of recipients and expenditures for this program. DHH anticipates that the standards and targets for this program in FY 01 should be met.

Issue: **Failure to fill MR/DD Waiver slots in a timely manner**

Indicator: Number of occupied MR/DD Waiver slots

QUARTERLY	PRIOR YEAR	CURRENT TARGET	ACTUAL	ACTUAL /EST	ANNUAL	
					PRIOR YEAR	2,994
Q1					CURRENT YEAR TARGET	3,890
Q2	2,994	3,443	3,382	(1.8%)	PERFORMANCE STANDARD	3,890
Q3					YTD ACTUAL	3,629
Q4	2,994	3,890	3,629	(6.7%)	VARIANCE FROM STANDARD	(6.7%)

Indicator: Percentage of MR/DD Waiver slots filled

QUARTERLY	PRIOR YEAR	CURRENT TARGET	ACTUAL	ACTUAL /EST	ANNUAL	
					PRIOR YEAR	92
Q1	92	75	76	1.3%	CURRENT YEAR TARGET	91
Q2	92	81	79.5	(1.9%)	PERFORMANCE STANDARD	91
Q3	92	86	83	(3.5%)	YTD ACTUAL	85.4
Q4	92	91	85.4	(6.2%)	VARIANCE FROM STANDARD	(6.2%)

Analysis of Indicators:
The objective of DHH is to maintain 4,251 MR/DD Waiver slots and to have a minimum of 3,890 (91%) filled at any given point in time. For FY 00, the agency was able to provide waiver services to 3,629 (85.4%) eligible individuals. Thus, DHH needed to qualify an additional 261 individuals to meet the performance standard for the year. Information provided by DHH indicates that the extensive certification process to qualify individuals for the MR/DD Waiver program altered the timetable for filling available slots (See LFO comments for details of the certification process).

Last fiscal year, DHH screened 821 individuals to fill the 800 new MR/DD Waiver slots that were funded by the legislature (slots were increased from 3,451 to 4,251). As of 6/30/00, 778 individuals had accepted a waiver slot and 331 individuals had actually received MR/DD Waiver services. The remaining 447 individuals are in the process of completing the certification process. Estimates provided by DHH indicate that approximately 4,100 of the 4,251 slots will be filled when these individuals complete the process (between December 2000 and June 2001). Once this cycle is complete, DHH will have filled 97% of the available slots, exceeding the target of 91%. The end result---no more slots for individuals on the waiting list except for those that are in the state Developmental Disability facilities (DHH has reserved 125 slots to place institutionalized individuals in less restrictive settings).

Budget Impact:
Actual Expenditures for MR/DD Waiver services for FY 00 were $95,374,253 ($71,007,575 was allocated); and are projected to be $121,768,523 for FY 01. The average cost per slot is expected to range from $26,000 to $38,000. The range of costs for individuals receiving services through the MR/DD waiver is from $5,000 per year to $172,500 per year. For FY 02, DHH plans to request an additional 300 slots, bringing the total number of slots to approximately 4,551. The accumulated total cost for the MR/DD Waiver slots is estimated to be approximately $151 million for services and $5.4 million for administrative costs, including salary and related benefits for 103 employees.

Program allotment for FY 97-98: $54,445,765
Actual expenditures for FY 97-98: $56,689,528 Allocated slots: 2,411

Program allotment for FY 98-99: $65,688,528
Actual expenditures for FY 98-99: $74,520,738 Allocated slots: 2,751

Program allotment for FY 99-00: $71,007,575
Actual expenditures for FY 99-00: $95,374,253 Allocated slots: 4,251

For FY 99-00, the actual expenditures exceeded the allocation by approximately $24 million. This program, like many others in the Medicaid Program, does not have a cap on payments for authorized waiver services and can exceed allotments if utilization or changes in case mix surpass projections.

LFO Comment:
The failure to meet this performance standard appears to depend on a number of factors, which should have been controlled by DHH.

Factor 1: After meeting with MR/DD Waiver Unit personnel at DHH, it appears that there have been significant management and procedural problems within DHH related to the MR/DD Waiver Program. For FY 99-00, the MR/DD Waiver waiting list was under the supervision of the Office for Citizens with Developmental Disabilities (OCDD). This agency was responsible for maintaining the waiver waiting list, initial entry into the system and allocation of available slots, among other duties. For FY 99-00, 800 new slots were authorized by the Legislature. These slots were added to the state plan and received approval by HCFA in May 1999. OCDD allotted slots to each Medicaid region in the state based on the population of the MR/DD waiting list. In July 1999, OCDD began notifying individuals on the waiting list that a slot had been assigned to them. Records provided by the agency related to the number of individuals assigned a slot by month indicate the following:

Month	7-00	8-00	9-00	10-00	11-00	12-99	1-00	2-00	3-00	4-00	5-00	6-00	Total
Number of assigned slots	26	63	100	82	82	59	104	54	53	80	63	12	778

Additionally, DHH (OCDD) reports that the 155 individuals assigned slots in April (80), May (63), and June (12) are not included in the 3,629 occupied slots. An individual must actually receive waiver services to count as a filled slot.

Factor 2: DHH was well aware of problems related to the entire MR/DD Waiver Service Program. Results of an audit of the MR/DD Home and Community Based Services Waiver (HCBSW) conducted by HCFA, issued August 3, 1998, identified 9 specific areas in need of corrective action to comply with federal regulations. Basically, DHH and OCDD were found to be inadequate and ineffective in the monitoring of the MR/DD Waiver Program and lacked policies and procedures to insure recipients were receiving all approved services and only approved services. While the audit cited DHH for major deficiencies, HCFA stated "that this program does provide an excellent array of quality services to a large portion of HCBSW recipients." Details of the HCFA audit and DHH response are available upon request.

On September 2, 1998, DHH submitted a plan of corrective action to HCFA. DHH created the Division of Community-Based Waivers in an attempt to solve the problems identified by the HCFA audit. The Division was given the responsibility for the overall management and oversight of all home and community-based waiver programs, including case management functions. Additionally, DHH (Medical Vendor Administration) and OCDD signed a memorandum of understanding detailing the role of both agencies in the Home and Community-Based Waiver Program. DHH believed that the creation of these two new waiver units would be able to cooperatively operate the program and correct many of the problems identified by HCFA. However, the relationship between the two wavier units did not produce the desired results due to philosophical differences between management.

Consequently, the Secretary of DHH has taken steps to correct the problems in the management of the Home and Community-Based Waiver Program. In a memo to DHH Management from the Secretary, dated August 7, 2000, the following change was ordered: "Effectively immediately, all employees currently assigned to the Division of Home and Community-Based Waivers will be assigned to the Office of the Secretary under the newly created Bureau of Community Supports and Services. The transition will begin immediately with functional transition to be completed by August 11, 2000." The Bureau will report directly to the Secretary. Total staff transferred: 103 (87 from MVA and 16 from OCDD).

Factor 3: The average time from being offered a waiver slot to being completely approved is 122 days (range of 32 days to 323 days) and is impacted by the following: 1) provider capacity; 2) provider willingness to accept certain individuals; 3) availability of trained professional staff; 4) lack of acceptable housing; 5) limited number of specialized professionals to provide services in rural areas and sometimes in urban areas; 6) ability of some individuals to pay for housing, utilities, and other living expenses not covered by the waiver; and 7) the length of time it takes a family to decide to accept waiver services and the providers that will be caring for the individual.

With regard to the average time (122 days) to receive approval for waiver services, DHH has provided the following information related to the process: 1) once an individual is selected from the waiting list, a letter is then sent to that individual's family or other persons with responsibility for said individual. The family or other responsible party has 14 days to respond. If no response is received by DHH, then further attempts (contacting schools, relatives, etc.) to contact the family are initiated. If these attempts are successful, then the individual must undergo a new financial and professional eligibility determination. The professional determination requires a social history, a diagnostic and medical examination, and a psychological evaluation. After completion of this process, the individual is referred to a case manager for the development of a comprehensive plan of care (CPOC). The CPOC will identify the services required to care for the individual and require the family or other responsible party to select providers of approved waiver services (up to 10 services are available--1) Personal care attendant; 2) Respite care; 3) Substitute family care; 4) Residential Habilitation/supervised independent living; 5) Habilitation/supported employment; 6) Pre-vocational habilitation; 7) Day habilitation; 8) Environmental modifications; 9) Personal emergency response system; and 10) Assistive devices. At this point, the individual has completed the entire process and is completely approved for waiver services.

The certification process appears to play a large part in the time that it takes to qualify an individual for waiver services. Timely completion of the certification process relies on cooperation and responsible action by DHH, the family of the qualified recipient, the doctors involved in the diagnosis and evaluation of the recipient, case managers, and providers of waiver services. Any breakdown, or slight bump, during the process appears to delay entry into the program. DHH is in the process of reevaluating the entire process and will attempt to identify areas that could be modified to improve the efficiency of this process.

Estimates provided by DHH indicate that approximately 7,750 individuals are still on the waiting list for MR/DD Waiver services as of 6/30/00. The Children's Home and Community Based Waiver Program, authorized by the Legislature in the 2nd Extraordinary Session of 2000, is expected to provide specialized services to approximately 500 individuals in FY 01. That leaves approximately 7,250 individuals waiting for waiver services.

If the Legislature authorizes additional slots (DHH is requesting 300 new slots) and funding for the MR/DD Waiver for FY 02, DHH needs to make sure that the reorganization of the Waiver Unit actually results in filling slots in a more timely manner and that all funding dedicated to the program is actually spent for appropriate purposes.

Continued expansion of HCBSW Program will require the Legislature to provide adequate funding and staff. Over the past three years, the program has almost doubled in approved slots--2,411 to 4,251--and the average cost per slot has increased--from approximately $18,000 to $22,000 in FY 97-98 to $26,000 to $38,000 in FY 00-01.

Health and Hospitals | **New Orleans Home & Rehab Center** | **SCH. # 09-311** | **Analyst: K. Freeman**

Issue: **Failure to maintain occupancy rate and cost per client day.**

Indicators: Patient Services

Indicator: Cost per client day

QUARTERLY	PRIOR YEAR	CURRENT TARGET	ACTUAL	ACTUAL /EST	ANNUAL	
					PRIOR YEAR	$102
Q1	$91				CURRENT YEAR TARGET	$91
Q2	$91	$91	$106	16.5%	PERFORMANCE STANDARD	$91
Q3	$91				YTD ACTUAL	$106
Q4	$102	$91	$106	16.5%	VARIANCE FROM STANDARD	16.5%

Indicator: Occupancy Rate

QUARTERLY	PRIOR YEAR	CURRENT TARGET	ACTUAL	ACTUAL /EST	ANNUAL	
					PRIOR YEAR	90%
Q1	94%	95%	86%	(9.5%)	CURRENT YEAR TARGET	95%
Q2	95%	95%	84%	(11.6%)	PERFORMANCE STANDARD	95%
Q3	92%	95%	85%	(10.5%)	YTD ACTUAL	86%
Q4	90%	95%	86%	(9.5%)	VARIANCE FROM STANDARD	(9.5%)

Analysis of Indicators:

New Orleans Home and Rehabilitation Center's (NOHRC) cost per day has been higher than expected, while the patient census has been lower than projected. <u>Due to the number of actual patient days being below projection and the occurrence of mandated, unfunded costs (i.e. pharmacy expenses and a civil service medical pay plan), there has been an increase in the cost per client day.</u> Cost per client day is directly effected by average daily census, which has also declined. The average daily census, with a performance standard of 183, has been 180, 175, and 165 in FY 98, FY 99, and FY 00 respectively.

NOHRC is staffed for 195 beds. <u>Staffed beds are below the norm as a result of a reduction in admissions of IV therapy, ventilator therapy and military veterans.</u> Admissions are low because of low staff stability.

Budget Impact:

NOHRC receives no direct State General Fund dollars and has to generate all of their budget. NOHRC's budget is mostly Title XIX Medicaid money and Title XVIII Medicare money with some revenue from veterans and private pay.

The performance standard of $91 for the cost per client day is low. NOHRC's FY 00 budget is $6,703,797 and there are 66,795 projected patient days, which suggests the current indicator standard should be $100.36 per day. In comparison, the prior year cost per day was $102 per day. Also, the standard of $91 is less than current Medicaid reimbursement rates for facility care, which ranges from $97 to $110 per day. With a lower census, there are fewer patient days which drives up the cost per client day. Another attributable factor for the higher than expected cost per client day is the increased inflation rate on pharmacy expenses.

LFO Comment:
The occupancy rate in FY 98, FY 99, and FY 00 were 92%, 90%, and 84% respectively. The cost per client day in FY 98, FY 99, and FY 00 were $95, $102, and $106 respectively. The occupancy rate and cost per client day indicators are inversely related. The volume of services have decreased and resulted in an increase in cost per day. Staff shortages due to staff turnover at NOHRC has caused a reduction in staffed beds, admissions, and occupancy rate. The staffing shortage is based on an inadequate pay scale and the inability to pay for overtime.

DHH has begun a cost/benefit analysis regarding the future direction of the facility. With some private nursing home beds vacant, a study of whether or not the state should continue to operate this facitliy seems in order.

For FY 01, DHH and NOHRC plan to downsize the administrative staff, close approximately 36 vacant beds and reduce acquisitions and supplies. Also with the August 15th Performance Standard Adjustments (FY 01), several performance standard values have changed:

Indicator	Act 11	Aug 15
Average Daily Census	176	158
Staffed Beds	195	166
Total Clients Served	229	201
Cost per Client	$104	$123
Occupancy Rate	90%	95%
Staff to Client Ratio	1.10	1.09

The changes should help NOHRC to be in compliance with performance standards.

Health and Hospitals	**Office for Citizens with Developmental Disabilities (OCDD)**	**SCH. # 09-340** **Analyst: K. Freeman**

Issue: **Increased number of people receiving waiting list services with a decrease in cost per person**

Indicators: Community Based Programs

Indicator: Number of People Served

QUARTERLY	PRIOR YEAR	CURRENT TARGET	ACTUAL	ACTUAL /EST	ANNUAL	
					PRIOR YEAR	526
Q1		338	277	(18.0%)	CURRENT YEAR TARGET	338
Q2	393	338	377	11.5%	PERFORMANCE STANDARD	338
Q3		338	406	20.1%	YTD ACTUAL	523
Q4	526	338	523	54.7%	VARIANCE FROM STANDARD	54.7%

Indicator: Cost per person served

QUARTERLY	PRIOR YEAR	CURRENT TARGET	ACTUAL	ACTUAL /EST	ANNUAL	
					PRIOR YEAR	$4,860
Q1					CURRENT YEAR TARGET	$4,860
Q2	$6367	$4860	$4440	(8.6%)	PERFORMANCE STANDARD	$8,815
Q3					YTD ACTUAL	$3,538
Q4	$4860	$4860	$3538	(27.2%)	VARIANCE FROM STANDARD	(59.9%)

Analysis of Indicators:
The objective of the OCDD Community Based Program is to continue providing support to approximately 338 persons waiting for waiver services. The performance standard of 338 is an estimated number established by the amount of funding received when the waiting list service program first began in FY 98. 338 continued to be the performance standard because the standard was set before actual year-end numbers were determined.

For FY 00, the number of persons served increased because one slot was used to serve more than one person during the year. OCDD served more people due to: 1) The additional 800 waiver slots funded in FY 00, which allowed people receiving the waiting list services to move to the MR/DD waiver and 2) A more efficient movement of persons from the waiting list service program to the MR/DD waiver.

After the first year of the waiting list services program, there were two changes. First, people began to be served on a need basis instead of a first-come-first-serve basis. Second, people were allowed to move straight from the waiting list to waiver services instead of having to go from the waiting list (receiving no services) to the waiting list with limited services to the waiver program with a full range of services.

Waiting list services provide case management and other services. **Case management services** evaluate the individual needs of persons with developmental disabilities. The **other services** could include supported living, individual and family supports and respite care.

The cost per person served performance standard of $8,815 is based on FY 98 budget data. The most recent fiscal year for which data was available to prepare the FY 00 performance standards was FY 98, which was the initial implementation year for the waiting list services program. The actual amount for FY 98 was $4,664, which was a partial year of implementation. The standard for FY 00 was set at $8,815 to represent the full year costs.

The annual expenditures for this program have remained constant over the year. The reason the cost per person has decreased is due to: 1) The increase in the number of persons served throughout this fiscal year and 2) The budget for prior year included case management services which were provided this fiscal year by the staff of the regional offices instead of the private providers.

Budget Impact:
For FY 00, the budget for this program was $2.9 million in State General Fund. Of this amount, $1.9 million was actually expended to serve persons awaiting waiver services. The $1 million that went unspent was used for deficits in other OCDD State General Fund services, such as In-Home and Family Supports.

	FY 99	FY 00
Actual Expenditures	$2.5 million	$1.9 million
Number of People Served	526	523
Avg. Cost per Person	$4,800	$3,600

LFO Comment:
OCDD remains committed to help people who are waiting for waiver services, but there are still approximately 7,750 individuals that are still on the waiting list for MR/DD services. OCDD was able to provide waiting list services to more people with less funding. They also spent $1 million of waiting list service dollars on other community support services. The waiting list service program needs to be monitored to ensure adequate use of waiting list services and efficient use of state funding.

DSS	Rehabilitation Services	SCH. # 10-374 Analyst: C. Douglas

Issue: **Are cost saving measures implemented by the Department of Social Services for the Vocational Rehabilitation Program affecting the people who need the services?**

1 Indicator: Number of individuals served statewide

QUARTERLY	PRIOR YEAR	CURRENT TARGET	ACTUAL	ACTUAL /EST
Q1	24,313	24,186	23,347	(3.5%)
Q2	23,943	27,248	24,794	(9.0%)
Q3	28,627	30,310	26,535	(12.5%)
Q4	31,461	33,372	28,046	(16.0%)

ANNUAL	
PRIOR YEAR	31,461
CURRENT YEAR TARGET	33,372
PERFORMANCE STANDARD	33,372
YTD ACTUAL	28,046
VARIANCE FROM STANDARD	(16.0%)

2 Indicator: Number of new applicants

QUARTERLY	PRIOR YEAR	CURRENT EST	ACTUAL	ACTUAL /EST
Q1	2,941			
Q2	2,941	6,125	3,221	(47.4%)
Q3	8,764			
Q4	10,376	12,249	6,473	(47.2%)

ANNUAL	
PRIOR YEAR	10,376
CURRENT YEAR TARGET	12,249
PERFORMANCE STANDARD	12,249
YTD ACTUAL	6,473
VARIANCE FROM STANDARD	(47.2%)

3 Indicator: Number of individuals successfully placed in gainful employment

QUARTERLY	PRIOR YEAR	CURRENT EST	ACTUAL	ACTUAL /EST
Q1	665	956	518	(45.8%)
Q2	1,655	1,913	1,226	(35.9%)
Q3	2,566	2,869	1,800	(37.3%)
Q4	3,272	3,826	2,176	(43.1%)

ANNUAL	
PRIOR YEAR	3,272
CURRENT YEAR TARGET	3,826
PERFORMANCE STANDARD	3,826
YTD ACTUAL	2176
VARIANCE FROM STANDARD	(43.1%)

Analysis of Indicators:

Data Analysis:

The shortfall in the number of individuals served by the Vocational Rehabilitation Program by year-end (Indicator 1) is directly related to the shortfall in the number of new applicants enrolled in the program (Indicator 2). As individuals exit the system or are gainfully employed (Indicator 3), they are not being replaced by new applicants. Rehabilitation Services projected that the Vocational Rehabilitation Program would have 12,249 new applicants by year-end. This number was met by only 53% or 6,473 new applicants. The notation for this performance indicator by the Department was that the number of new applicants has declined as a result of cost savings measures which were implemented within the Vocational Rehabilitation Program.

The following is a synopsis of the cost saving measures, mentioned above, implemented by the Department of Social Services for the Vocational Rehabilitation Program: (1) In March '99, LRS closed services to Order of Selection Group II applicants (Severe Disability) who did not currently have a "Plan" for services. Note: In February 2000, LRS reinstated service to Order of Selection Group II. (In the event a state is unable to serve all eligible individuals with a disability, then an order of selection for services can be implemented.) Also, an Emergency Rule was put into effect increasing the functional limitation requirements for placement in Order of Selection Group I (most severe disability) to require limitations in 4 or more functional capacity areas and Group II (severe disability) to require limitations in 3 areas. (2) On April 13, 1999, counselors were advised that no "new" plans for service (original and amended) would be approved for any clients including the Order of Selection Group I. (3) LRS placed an economic needs test on tuition costs for new applicants. Prior to July 1999, LRS did not require clients to contribute to the cost of tuition. (4) Also prior to July 1999, regional managers had no responsibility to monitor expenditures, which resulted in the LRS State Office having minimal control over spending. This responsibility fell on the counselors who may not adequately inspect these charges. As of July 1999, regional managers are responsible and required to monitor their budgets and all counselors spending. Also, all regional managers are required to attend training at the LRS State Office with reference to the monitoring and reviewing of all budget documents. All regions are doing daily reviews and sending monthly reports to State Office, which are forwarded to the Secretary.

Another factor that has had a significant impact on this program has been the increasing costs of cost services (cost services include but are not limited to training or tuition, special equipment, interpreter services and/or transportation). In FY 99 approximately $47 million was expended for costs services, an increase of approximately $18 million over a five year period. The number of clients provided cost services also increased by 4,394 during this five year period. However in FY 00, expenditures decreased significantly for costs services. ($5 million-State, $18 million-Federal, $23.1 million-Total) This reduction is a result of cost saving measures, specifically economic need, implemented by the Department. Note: The major factor regarding cost services is that it is difficult to determine the number of clients served or the cost of services because the services provided are dependent on the needs of the individual clients.

Budget Impact:
The impact of the economic need assessment being placed on training and the more stringent requirements for eligibility for the Order of Selection category being served by LRS has resulted in a surplus of funding for FY 00. This is also currently impacting the number of eligible clients receiving services. Approximately $11 million was not spent or obligated during FY 00 for direct services as authorized by LRS counselors.

Note: In FY 01, the Governors' Executive Budget recommended elimination of funding for services provided through the Vocational Rehabilitation Program and placed this program in the Supplemental Section of the budget contingent upon additional revenues. ($11.9 million-State, $47.9 million-Federal, and $59.7 million-Total) This did not include the administrative function of the program. The Department of Social Services indicated that the amount of funding that remained in the budget was approximately enough to administratively end the program. Through various amendments throughout the appropriations' process and the realization of additional revenues due to the passage of various tax measures, the Vocational Rehabilitation Program was funded at approximately 95% of the FY 00 level. ($12.9 million-State, $50.1 million-Federal, and $63 million-Total)

LFO Comment:
In our comments for the FY 99 end of the year report we indicated that although it would be difficult to determine to what extent the more restrictive Order of Selection Groups and/or the limited available funds (this program is matched at a rate of 21.3% State and 78.7% Federal) would have on the number of new applicants in future fiscal years, we also made reference that these factors would not become clear as to their impact until FY 00 and FY 01. *As projected by the Department, the more restrictive financial policy and the more restrictive order of selection policy has resulted in fewer individuals meeting the criteria for cost services.* In addition, many consumers that were in the program were grandfathered in with regard to the new financial policy. These individuals exited the program during FY 00 and will continue to do so in FY 01. They are being replaced with individuals that will have to meet the new criteria. <u>Therefore, as shown by the indicators reflected in this report, the outcome has resulted in a decrease in the number of new applicants, individuals actually served, and the number of individuals successfully rehabilitated.</u> This has resulted in the program realizing substantial savings.

As a mechanism to expend surplus funds, DSS-Rehabilitation Services Program has promulgated rules that will change the Selection Groups from three categories of providing services to eligible clients to five proposed Selection Groups. The effect of the change will be that Selection Group III will no longer incorporate all remaining categories of disabilities but will break into three additional Selection Groups that will range from significantly disabled with two functional limitations to non-significantly disabled. The goal of this change will be to hopefully reach the clients that are the most severe as opposed to all other categories of disabilities with no functional limitations.

With regard to growth in the program associated with cost services, at the midyear meeting the LFO voiced concern regarding the inadequate method of reporting meaningful indicators directly associated with cost services. We further indicated that the major obstacle was the actual number of indicators that would be needed to accurately portray the total fiscal impact of this program. Since that meeting several meetings have been held with the Department in an effort to include information that details the type of services provided, the providers of the services (vendors), the length of services provided, and referrals for services. The Department submitted a draft copy of its FY 02 Operational Plan to the LFO, House staff and Planning and Budget staff for review with the suggested changes incorporated throughout the plan. An approval was given by all participating parties regarding the plan and it has been included in the FY 02 Louisiana Rehabilitation Services' Budget Request.

DEQ **Office of the Secretary** **SCH. # 13-850**

Analyst: Robert Hosse

Issue: **The use of the sales tax exclusion on pollution equipment and the recycling equipment credit against income and corporate franchise taxes continue to increase.**

Indicator: Exemption Indicators

Indicator: Number of pollution control equipment tax exemptions reviewed

QUARTERLY	PRIOR YEAR	CURRENT EST	ACTUAL	ACTUAL /EST	ANNUAL	
					PRIOR YEAR	64
Q1	2	8	8	0.0%	CURRENT YEAR TARGET	35
Q2	16	10	10	0.0%	PERFORMANCE STANDARD	25
Q3	49	24	27	12.5%	YTD ACTUAL	46
Q4	64	35	46	31.4%	VARIANCE FROM STANDARD	84%

Indicator: Number of applications for recycling tax exemptions reviewed

QUARTERLY	PRIOR YEAR	CURRENT EST	ACTUAL	ACTUAL /EST	ANNUAL	
					PRIOR YEAR	11
Q1	5	N/A	N/A	N/A	CURRENT YEAR TARGET	10
Q2	9	8	8	0.0%	PERFORMANCE STANDARD	10
Q3	10	N/A	N/A	N/A	YTD ACTUAL	16
Q4	11	10	16	60.0%	VARIANCE FROM STANDARD	60%

Analysis of Indicators:

Data Analysis:

In 1991, the Louisiana Legislature enacted two distinct tax breaks for equipment related to environmental protection: Act 1052 created a state sales tax exclusion on the purchase of a pollution control device or system under R.S. 47:301(10)(l), and Act 1019 created a credit against state income and corporation franchise taxes for the purchase of qualified recycling equipment under R.S. 47:6005. Applications for these exclusions and credits are driven by economic factors outside the control of DEQ, and the above cumulative indicators reflect the number of applications for these tax breaks which DEQ has reviewed. The department usually reviews all applications received within one or two days. DEQ's estimate of these applications was significantly less than actual, which is indicative of both the difficulty in anticipating independent business decisions and of the possible magnitude of tax breaks that may be granted under these programs. DEQ will need to update their performance standard for the number of pollution control equipment tax exemptions reviewed from 25 to their target of 35 unless they feel that FY00 was an anomaly.

LDOL **Office of Workforce Development** **SCH. # 14-474**
Analyst Julie A. Samson

Issue: **The Welfare-to-Work Program within the Louisiana Department of Labor had higher than targeted unsubsidized employment retention rates and a lower than targeted average wage at placement at year-end of FY 00.**

Indicators: Welfare-to-Work Program

Indicator: Percentage Employed After 6 months (unsubsidized)

QUARTERLY	PRIOR YEAR	CURRENT TARGET	ACTUAL	ACTUAL /EST	ANNUAL	
					PRIOR YEAR	N/A
Q1		61	72.5	18.9%	CURRENT YEAR TARGET	61
Q2		61	69.7	14.3%	PERFORMANCE STANDARD	61
Q3		61	69	13.1%	YTD ACTUAL	70.5
Q4		61	70.5	15.6%	VARIANCE FROM STANDARD	15.6%

Indicator: Number of enrollees employed after six months (unsubsidized)

QUARTERLY	PRIOR YEAR	CURRENT TARGET	ACTUAL	ACTUAL /EST	ANNUAL	
					PRIOR YEAR	N/A
Q1		0	0		CURRENT YEAR TARGET	2,904
Q2		500	478	(4.4%)	PERFORMANCE STANDARD	2,904
Q3		0	0		YTD ACTUAL	1,067
Q4		2904	1067	(63.3%)	VARIANCE FROM STANDARD	-63.3%

Indicator: Average wage at placement (unsubsidized)

QUARTERLY	PRIOR YEAR	CURRENT EST	ACTUAL	ACTUAL /EST	ANNUAL	
					PRIOR YEAR	N/A
Q1		6.04	5.43	0.0%	CURRENT YEAR TARGET	6.04
Q2		6.04	5.47	(9.4%)	PERFORMANCE STANDARD	6.04
Q3		6.04	5.43	(10.1%)	YTD ACTUAL	5.5
Q4		6.04	5.49	(9.1%)	VARIANCE FROM STANDARD	-9.1%

SUPPLEMENTAL INFORMATION

	Mid Year	Year End
Quarterly Earnings Gain Rate	**77%**	**65%**
Number of enrollees in unsubsidized employment initially	**695**	**1514**

Analysis of Indicators:

Data Analysis:

The above indicators and supplemental information give the legislature a picture of the unsubsidized employment portion of the Welfare to Work program within the Louisiana Department of Labor. The Welfare-to-Work program's goal is to move welfare recipients into lasting employment by providing a variety of transitional employment opportunities, post employment and job retention services, and other support services such as transportation and child care.

The above indicators, when compared using the supplemental information, give a picture of how this system is working. In the first half of the fiscal year employers reported to the LDOL that 478 of the 695 people who had became employed in unsubsidized employment or employment in which the state did not pay any part of their wage, stayed employed for a 6 month period. This is 14.3% higher than the agency had anticipated. It should also be noted that of those 478 people, their quarterly earnings gain rate was 77%.

At the end of the fiscal year employers reported that 1065 of the 1514 people who had became employed in unsubsidized employment stayed employed for a 6 month period. This is 15.6% higher than the performance standard. Of those 1065 people the quarterly earnings gain rate was 65%.

Of those individuals placed in unsubsidized jobs at year-end 57% were placed as service workers at an average wage of $5.31 per hour and 19% were placed as sales workers at an average wage of $5.50. The percentage of placements within fields does vary between Service Delivery Areas (SDA). It should be noted that the "average wage at placement" indicator has a performance standard of $6.04 and the year-end actual was $5.43.

A point that should be made about these indicators is that there are a large number of lag quarters between when a person enters employment and when the person's statistics are reported to the LDOL. It takes approximately 11 months from the first month of employment until the month in which the retention information is available to LDOL to prepare reports. After much discussion with the Department it is apparent that it is virtually impossible to speed up this process. The main reason for this lag is that employers are given 90 days, from the last day in the second quarter, to report employee wage information. Therefore, the information discussed here is for individuals who entered employment in the third quarter of FY'98-'99.

Budget Impact:
The Welfare-to-Work program within the LDOL is financed through both Federal grants and State General Funds. The Department receives an annual appropriation from the Federal Government of $23.7 million and in FY'00 the Department received $3.8 million from the State General Fund.

Many of the participants in the Welfare-to-Work program start the program needing not only help being placed in a job but they may also need other assistance. Many participants have many barriers to employment such as: lacking a high school diploma or GED and have math or reading skills below 9th grade, have a poor work history, or require substance abuse treatment for employment. Therefore cost per participant varies greatly between individuals depending on their skill level and need for support services. It has been estimated that the average cost per participant in the Welfare-to-Work program is approximately $3,000.

Appropriations may be used for a variety of services such as: on the job training, job readiness, job placement services, transportation assistance, child care assistance, and short-term housing. The above mentioned indicators measure those individuals who no longer need these services and are in unsubsidized employment.

LFO Comment:
The indicators as they presently stand provide information relative to the unsubsidized portion of the Welfare-to-Work program but they do not give a complete picture. <u>The current indicators will be more meaningful when "quarterly earnings gain rate" is included as an indicator in Fy 02.</u> This information is currently being collected by the Department and reporting it will allow the legislature to gain insight into the level at which participants have been able to boost their earning potential. LDOL has increased its performace standard to 70 for the indicator " Percent Employed After 6 Monthes". This will be effective in FY 01.

Budget Impact:
These indicators have both direct and indirect budget implications. The direct impact involves the costs to DEQ to review these tax break applications. According to DEQ this impact is minimal in that only one person is used part time to review pollution control exclusions, and only two people are used part time to review recycling credits. The indirect impact involves the revenues foregone in ultimately granting these applications.

The value of exclusions granted for pollution control devices was about $2.75 million in FY 95, $825,000 in FY 96, $1.4 million in FY 97, $1 million in FY 98, and approximately $508,000 in FY 99 (with some still pending).

The total value of recycling credits applied for and approved since the inception of this tax break is reported by DEQ to be approximately $100.8 million. The statutory language which provides for the credit specifies that the credit against any income and corporation franchise taxes imposed by the state equal 20% of the cost of the recycling equipment less the amount of any other tax credits received for the purchase of such equipment. The $100.8 million in credits generated to date occurred over a seven year period, and would equate to an average annual credit of $14.4 million, of which 20% can be taken against taxes each year if not greater than 50% of a firm's liability. Assuming that the amount of credits generated in the future will approximate those generated in the past, if firms are able to take the full 20% allowable amount each year of credits generated, and these credits are spread evenly over the next five years, approximately $2.9 million in credits would be paid each fiscal year. The Legislative Fiscal Office does not know at this time what other credits might be applicable to these purchases; however, to the extent that other credits are allowed against these same purchases or to the extent that these credits would exceed 50% of a firm's liability in any particular year, the amount of credits taken will be less. The recycling credits program is scheduled to expire December 31, 2000, unless renewed by the legislature.

LFO Comment:
Both the pollution equipment sales tax exclusion and the recycling equipment credit against income and corporation franchise taxes have proven to be more popular than current estimates by the department. Information provided by these indicators give a qualitative measure of the use of these exclusions and credits, but fails to provide a quantitative measure of these incentives which has a more direct impact on budget considerations. The addition of indicators which would portray the tax break value of applications reviewed and approved, rather than the number of applications reviewed and approved, would be informative. The inclusion of such information would provide legislators with a more complete perspective on the total cost of this program over time.

DEQ **Office of Waste Services** **SCH. # 13-853**
Analyst: Robert Hosse

Issue: **Waste tires continue to be effectively handled. Rules increase processor reimbursements.**

Indicator: **Waste tire indicators**

Indicator: Number of waste tire collection centers/parish

QUARTERLY	PRIOR YEAR	CURRENT EST	ACTUAL	ACTUAL /EST	ANNUAL	
					PRIOR YR	1
Q1	N/A	N/A	N/A		CURRENT YEAR TARGET	1.7
Q2	1	1.6	1.6	0.0%	PERFORMANCE STANDARD	1
Q3	N/A	N/A	N/A		YTD ACTUAL	1.6
Q4	1	1.7	1.6	(5.9%)	VARIANCE FROM STANDARD	60%

Indicator: Percentage of currently generated waste tires recycled

QUARTERLY	PRIOR YEAR	CURRENT EST	ACTUAL	ACTUAL /EST	ANNUAL	
					PRIOR YR	98
Q1	98	N/A	N/A		CURRENT YEAR TARGET	98
Q2	98	98	98	0.0%	PERFORMANCE STANDARD	98
Q3	98	N/A	N/A		YTD ACTUAL	98
Q4	98	98	98		VARIANCE FROM STANDARD	0%

Indicator: Number of waste tire sites under contract

QUARTERLY	PRIOR YEAR	CURRENT EST	ACTUAL	ACTUAL /EST	ANNUAL	
					PRIOR YR	30
Q1	8	N/A	N/A		CURRENT YEAR TARGET	7
Q2	15	7	2	(71.4%)	PERFORMANCE STANDARD	7
Q3	20	N/A	N/A		YTD ACTUAL	12
Q4	30	7	12	71.4%	VARIANCE FROM STANDARD	71%

Analysis of Indicators:

Data Analysis:

The above indicators reflect various aspects of DEQ’s attempts to clean up existing waste tire sites and to insure that currently generated waste tires are handled (i.e. recycled/processed) in an expeditious and environmentally sound manner. The first indicator, number of waste tire collection centers per parish, illustrates the accomplishment of establishing 1.6 waste tire collection centers per parish by the second quarter of the year. The department has not, however, been able to meet its fourth quarter target of 1.7 collection centers per parish. This is not a significant variance. The Legislative Fiscal Office is not sure what the “optimal” number of collection centers should be; but will further discuss this standard with the department. The second indicator, percentage of currently generated waste tires recycled, reflects that 98% of currently generated waste tires are being recycled. According to DEQ these recycled (i.e. chipped) materials are primarily used for erosion control by DOTD and behind bulkheads since it is lighter than soil, and is used less extensively as a boiler fuel. Data for the third indicator, number of waste tire sites under contract, reflects that 7 sites were estimated to be under contract and that 12 are under contract at this time. DEQ has indicated that more waste tire sites were detected and reported by citizens, parish officials, and DEQ personnel than originally anticipated. DEQ has additionally indicated that in excess of 800 sites have been remediated heretofore, and that only about 7 known sites are left to be cleaned up. DEQ estimates that there are approximately 40,000 tires in these remaining sites and that these sites should be cleaned up at or near the end of this calendar year. Based upon these figures, the department estimates that approximately 99% of the state’s known waste tire sites will have been cleaned up by the end of the fiscal year. DEQ failed to update their performance standard for the number of waste tire collection centers per parish from their prior year number of 1 to their targeted number of 1.7 which unduly skewed their variance.

Budget Impact:
The indicators and supporting information confirm that DEQ has made appreciable progress in this area in the last couple of years. Furthermore, the 2nd quarter data suggested that DEQ would be able to either reduce its waste tire fee from $2 per tire or increase processor reimbursements. Several bills were introduced in the last year to increase reimbursements to waste tire processors. These bills did not pass, however, the secretary of DEQ had indicated that the rules administering this program were subject to amendment and that a change in processor reimbursements would be considered. The department has published a Notice of Intent and rules to amend the Waste Tire Regulations to increase waste tire processor reimbursements from $1 per 20 lbs of waste tire material to $1.50 per 20 lbs, and is estimated to increase expenditures from the Waste Tire Management Fund by approximately $3.6 million annually. This same rule imposed a fee of $20 per tire for off-road tires and an average fee of $6 per truck tire, which is anticipated to generate almost $3.1 million annually.

LFO Comment:
The Department of Environmental Quality has already cleaned up most known waste tire sites and continues to effectively handle the current waste tire stream. The increased reimbursement to processors should assure that there is sufficient monetary inducement to process waste tires in Louisiana. It will take several quarters to assess the net impact on the Waste Tire Management Fund of increased processor reimbursements and the imposition of fees on additional types of tires.

Wildlife and Fisheries	**Office of the Secretary**	**SCH. # 16-512** **Analyst: M. K. Carroll**

Issue: **The inverse relationship between Department efforts and the number of boating accidents and fatalities.**

Indicator: **# of boating accidents, # of citations for non-compliance w/ PFD, and # of students completing boating safety courses**

Indicator: Number of boating accidents

QUARTERLY	PRIOR YEAR	CURRENT EST	ACTUAL	ACTUAL /EST	ANNUAL	
					PRIOR YEAR	225
Q1	62	60	61	1.7%	CURRENT YEAR TARGET	189
Q2	29	30	53	76.7%	PERFORMANCE STANDARD	169
Q3	21	39	34	(12.8%)	YTD ACTUAL	252
Q4	113	60	104	73.3%	VARIANCE FROM STANDARD	49.1%

Indicator: Number of citations for non-compliance w/ personal flotation devices

QUARTERLY	PRIOR YEAR	CURRENT EST	ACTUAL	ACTUAL /EST	ANNUAL	
					PRIOR YEAR	2,097
Q1					CURRENT YEAR TARGET	1,750
Q2	569	565	1,001	77.2%	PERFORMANCE STANDARD	1,170
Q3					YTD ACTUAL	2,411
Q4	1,528	1,185	1,410	19.0%	VARIANCE FROM STANDARD	106.1%

Indicator: Number of students completing boating safety course

QUARTERLY	PRIOR YEAR	CURRENT EST	ACTUAL	ACTUAL /EST	ANNUAL	
					PRIOR YEAR	N/A
Q1					CURRENT YEAR TARGET	2,200
Q2	N/A	750	831	10.8%	PERFORMANCE STANDARD	2,800
Q3					YTD ACTUAL	2,641
Q4	N/A	1,450	1,810	24.8%	VARIANCE FROM STANDARD	(5.7%)

Analysis of Indicators:

The Department of Wildlife and Fisheries' Enforcement Division has an objective to reduce the number of boating accidents to 49 per 100,000 registered boats annually. Currently, there are approximately 340,000 registered boats, and at year-end there were about 74 accidents per 100,000 registered boaters. At mid-year there were 22 fatalities; at year-end the number of fatalities totaled. The number of boating accidents was 49.1% over the performance standard. The number of citations for non-compliance with personal flotation devices was 106.1% over the performance standard. The number of students completing boating safety courses was 5.7% below the performance standard. Although the actual data regarding boating accidents and citations varies greatly from the performance standards, the issue is that a significant number of people are not surviving these accidents. The Department has stated that many of the fatalities are caused by the victims getting water in their lungs, which could be prevented if the victims were wearing their personal flotation device.

The Enforcement Division has indicators such as the number of students completing boating safety courses and the number of citations for failure to comply with the personal flotation device laws. These activities are set up to help reduce the number of boating accidents and fatalities.

1) The number of students completing boating safety courses exceeded the year-end target by 24.8%

2) The number of citations for failure to comply with personal flotation device laws exceeded the year-end target by 19%.

3) The number of boating accidents exceeded the year-end target by 73.3%.

Increased citations and boating safety courses should aid in reducing the number of boating accidents, but these indicators do not reflect the additional effort being made by the Department. Even though the Department has created a strong presence around boating activity, the accidents continue. The Department has stated that a significant amount of accidents occur in highly congested, narrow waterways. Additionally, boat operators are not required to take a boating safety course although they are offered. The Department has made efforts to increase awareness of the boating safety courses offered, and a large number of state employees taught classes for the Office of Risk Management which may be the reason why the number of students completing a course exceeded the year-end target. Despite the effort to educate boat operators, only 19,200 of the 340,000 registered boaters, or 5.6%, have taken the safety course.

The Florida Fish and Wildlife Conservation Commission prepared an analysis of boating accidents and fatalities. Louisiana was listed as having 37 fatalities over the last calendar year, placing Louisiana as number 4 of the top ten states with boating fatalities. Louisiana has very warm weather and a large number of areas to enjoy boating activities. While having more Enforcement agents present on the water and conducting compliance checks can aid in the reduction of boating accidents, they cannot be everywhere at all times.

Budget Impact:
The Enforcement Division currently has in their existing operating budget $1,333,915 in federal funds with a 50% state match from the Conservation Fund of the same amount

bringing the total amount to $2,667,830 for boating safety. The Department actually expended $3,061,863 in FY 99-00, with the additional $394,033 coming from the Conservation Fund.

LFO Comment:
Currently, there are about 340,000 registered boaters in Louisiana. Those boaters are not required to take a boating safety course, although they are offered.

The Legislative Fiscal Office has requested statistics related to boating accidents and fatalities, such as the age of the parties involved and whether alcohol, speed, or recklessness was related. This information will be forwarded by the Department as soon as it is compiled. The Legislative Fiscal Office has also requested information relative to the number of boats per square mile of navigable waterway. Currently, the Department does not collect information of the number of boats per navigable waterway. This information could be used to compare our accident and fatality statistics to other states. There may be some threshold of boats per square mile where accidents are more likely if not inevitable. The Legislative Fiscal Office will attempt to obtain this information prior to the next review of these indicators. Furthermore, the Department may want to add an indicator stating the percentage of people involved in boating accidents who had attended or graduated from boating courses. This might give an indication as to the effectiveness of the safety course currently being taught.

Education **Subgrantee Assistance** **SCH. # 19-681**
Analyst: Craig Gannuch

Issue: **The emerging use of the internet as a distance learning tool will provide significant changes in the delivery of educational services in areas with limited access to certain instruction. The targets set for the current activities do not consider recent historical participation and the growth in on-line distance learning.**

Indicator: Number of schools in statewide satellite network

QUARTERLY	PRIOR YEAR	CURRENT EST	ACTUAL	ACTUAL /EST	ANNUAL	
Q1	37				PRIOR YEAR	34
Q2	34	92	36	(60.9%)	CURRENT YEAR TARGET	92
Q3	34				PERFORMANCE STANDARD	92
Q4	34	92	38	(58.7%)	YTD ACTUAL	38
					VARIANCE FROM STANDARD	0

Indicator: Number of students enrolled in satellite courses

QUARTERLY	PRIOR YEAR	CURRENT EST	ACTUAL	ACTUAL /EST	ANNUAL	
Q1	242	600	335	(44.2%)	PRIOR YEAR	239
Q2	239	600	418	(30.3%)	CURRENT YEAR TARGET	600
Q3	239	600	418	(30.3%)	PERFORMANCE STANDARD	600
Q4	239	600	387	(35.5%)	YTD ACTUAL	387
					VARIANCE FROM STANDARD	0

Indicator: Number of telelearning schools

QUARTERLY	PRIOR YEAR	CURRENT EST	ACTUAL	ACTUAL /EST	ANNUAL	
Q1	101				PRIOR YEAR	101
Q2	100	113	90	(20.4%)	CURRENT YEAR TARGET	113
Q3	100				PERFORMANCE STANDARD	113
Q4	101	113	90	(20.4%)	YTD ACTUAL	90
					VARIANCE FROM STANDARD	0

Indicator: Number of telelearning students

QUARTERLY	PRIOR YEAR	CURRENT EST	ACTUAL	ACTUAL /EST	ANNUAL	
Q1	1,307	1,597	1,376	(13.8%)	PRIOR YEAR	1,530
Q2	1,530	1,597	1,327	(16.9%)	CURRENT YEAR TARGET	1,597
Q3	1,530	1,597	1,400	(12.3%)	PERFORMANCE STANDARD	1,400
Q4	1,530	1,597	1,400	(12.3%)	YTD ACTUAL	1,400
					VARIANCE FROM STANDARD	0

Analysis of Indicators:

Statewide Satellite Network Indicators

The number of schools in the statewide satellite network is less than half of the number targeted. However, this negative variance exists because the target represents the number of schools with satellite dishes and wiring, not the number of these schools that the agency targets to participate in the program. When compared to the participation level of Fiscal Year 1999, the fourth quarter of Fiscal Year 2000 shows a slight increase in the number of schools in the statewide satellite network. The number of students enrolled in satellite courses was also less than targeted, but greater than the amount of students enrolled in satellite courses in the previous fiscal year.

Satellite courses include a variety of courses taught by satellite to schools wired by Louisiana Public Broadcasting to receive the courses. Course instruction delivered through the television in these schools include foreign languages, fine arts, and other courses not readily available in all locations of the state.

Tele learning Indicators

The tele learning indicators measure the level of participation by schools and students in those courses delivered to terminals through telephone lines. These courses are delivered from the Louisiana School for Math, Science, and the Arts and have been available in Louisiana for about ten years. Both the number of tele learning schools and students have declined from the target due to the phasing out of this medium and the anticipated introduction in Fiscal Year 2001 of web based distance learning courses. This new medium of instruction, the Louisiana Virtual Classroom, is anticipated to provide for a further decline in tele learning participation as web based courses become a more prevalent method of distance learning.

Budget Impact:

The Fiscal Year 2000 budget for these programs is $1.25 million provided mainly from the statutorily dedicated Louisiana Quality Education Support Fund 8(g). The funding is budgeted as follows: Louisiana School for Math, Science, and the Arts (LSMSA), ($765,711) for the tele learning program; Louisiana Center for Educational Technology (LCET), ($437,149) for the satellite courses; and Louisiana Public Broadcasting (LPB) ($47,140) for technical assistance and maintenance of satellite communications equipment at ninety-two schools. There is also an additional $93,329 in State General Funds in the LSMSA budget directed towards tele learning efforts.

LFO Comment:

The Legislative Fiscal Office and the Louisiana Center for Educational Technology will examine the current targets for these indicators to consider changes in distance learning

<u>policy which may impact these activities. Furthermore, tighter internal control in the future may be reflected in data that better indicates agency performance.</u>

The targets set for the number of schools in the statewide satellite network do not accurately measure the intended activity. The target reflects the number of schools that are equipped in the satellite network, not the number of schools anticipated to participate in the network. The targets for this indicator should consider prior year participation as well as any change in policy regarding the use of this method of instruction. The targets set for the number of students enrolled in satellite courses also appears to be inaccurate in its attempt to measure student participation. Although the actual number of students participating in satellite course instruction increased about 60% over Fiscal Year 1999, the reported actual performance when measured against the target reflects a 35.5% negative variance.

The Department is phasing out tele learning as web based instruction becomes more widely available. Until such time that tele learning is phased out completely as a method of instruction, it is anticipated that there will be future declines in the use of tele learning instruction by schools and students.

The Department implemented web based distance learning in Fiscal Year 2001 which currently employs about ten Louisiana certified instructors who are teaching about 100 students. This relatively new method of instruction delivery is being implemented to various degrees in many southern states including Alabama and Florida. The Department indicates that it anticipates greater participation by Louisiana students in the future, which will impact the current modes of distance learning practiced in this state. The four current methods of distance learning used in this state are satellite, tele learning, compressed video, and the newly implemented web based instruction.

DWF **Office of Fisheries** **SCH. # 16-514**
Analyst: M. K. Carroll

Issue: **The number of acres treated for undesirable aquatic vegetation and the increase of new weeds that are expensive to treat.**

Indicator: Number of acres treated

QUARTERLY	PRIOR YEAR	CURRENT EST	ACTUAL	ACTUAL /EST	ANNUAL	
					PRIOR YEAR	33,601
Q1	10,089	12,000	11,890	(0.9%)	CURRENT YEAR TARGET	46,000
Q2	14,104	20,000	22,836	14.2%	PERFORMANCE STANDARD	46,000
Q3	19,167	30,000	26,514	(11.6%)	YTD ACTUAL	33,986
Q4	33,601	46,000	33,986	(26.1%)	VARIANCE FROM STANDARD	(26.1%)

Analysis of Indicators:

The Department of Wildlife and Fisheries/Office of Fisheries has an objective to treat at least 46,000 acres of water bodies to control undesirable aquatic vegetation. The number of acres treated by the year-end was 26.1% below the target and performance standard, but 1% over the prior year's figures. There are several factors that contribute to the reduction in acres treated. Maintenance control has been lost in certain areas of the state due to reductions in personnel within this section of the Department. This reduction in personnel has been a factor in slowing the process of treating water bodies. The drought that Louisiana is experiencing has led to low water conditions limiting the ability to reach certain treatment areas by boat. The unavailability of a helicopter to perform sprays in the coastal areas also limits the ability to treat the weeds.

There is approximately 505,055 acres infested with undesirable aquatic vegetation, which is a 28.4% decrease over last year's number of acres (705,000 acres). There have been several years with relatively mild winters resulting in optimal growing conditions for these weeds, with the average increase in growth being in excess of 12,500 acres per year. Although the weeds continue to grow at these levels, there are some areas that are infested that have experienced extreme drought which has helped to naturally eliminate some of the weeds. The Army Corps of Engineers also treats the water hyacinth in the areas south of I-10 and east of the White Lake and Grand Lake area, excluding the Atchafalaya Basin. The Corps only treats the water hyacinth, the least expensive of all three plants that infest Louisiana. In the past fiscal year they have treated approximately 25,000 acres infested with water hyacinth with a budget of approximately $2 million. The Corps estimates that $1 million is administrative costs while the remaining $1 million is spent on the actual contract for services.

Budget Impact:
The Department was budgeted approximately $3.9 million for weed eradication in FY 99-00. Of that amount budgeted, $500,000 was a federal grant that was never received, thus limiting their budget authority to $3.4 million. The federal grant involved monies that were promised to the state, but were never received in the federal budget. The Department spent approximately $2.7 million for these purposes, and the breakdown of funding is as follows: approximately, $1.2 in federal dollars, $550,000 in state general fund dollars, and. $930,000 in Conservation Fund dollars. Approximately $700,000 of the budgeted amount was not expended. Approximately $29,000 was returned to the state general fund. The $300,000 in federal funding that was not spent can be applied for in the future. The $371,000 in Conservation Fund dollars that were not expensed will remain in the fund and can be appropriated for these purposes again. The Agency stated that at some point in the year the Department employees were directed to have no acquisitions and reduced spending as a means to save Conservation Fund monies. Approximately, $550,000 of the unexpended funds for weed eradication were in the categories of acquisitions, equipment rentals and repair, and maintenance supplies. The remaining amount of unexpended funds would have been used for small acquisitions, for example, gravel to pave boat launches.

Recently, two new weeds have entered Louisiana's borders: hydrilla and salvinia. These new weeds are considerably more expensive to control than the water hyacinth. The hydrilla and salvinia have infested approximately 61,000 and 23,000 acres of Louisiana's water bodies respectively. The majority of the weed eradication efforts have been directed at the water hyacinth, which is the bulk of the undesirable weeds and the least expensive to treat. The new weeds could easily grow out of control if not properly treated in sufficient amounts. The Department estimated in their budget request that the operating costs such as purchasing materials, i.e. herbicides and additives, to treat the current population of hydrilla and salvinia weeds are approximately $3 million.

LFO Comment:
The growth of these plants could negatively impact access to recreational and commercial fishing, or boating. Aquatic habitat could be altered or destroyed because the weeds may restrict sunlight into the water, thus destroying spawning activities. There have also been complaints in the past that some of these weeds were getting into rice fields by traveling through water pumps.

The Department stated that the state of Florida has a significant amount of hydrilla and salvinia. That state has a large budget to treat these weeds, but they also have a weevil that eats the salvinia. The Department has made inquiries with the USDA about the possibility of importing a weevil to aid in the treatment of salvinia, but they also want to examine all of the pros and cons of importing this bug. The Legislative Fiscal Office is further exploring options that other states are currently using for weed eradication.

HCSD **All Hospitals** **SCH. # 19-610**
Analyst: M. K. Carroll

Issue: **Although HCSD's indicators do not show a clear picture of the patient population's activities in the region, making it hard to truly evaluate their performance, it appears they are not meeting their goals.**

Indicator: Emergency Room visits, Outpatient clinic visits, Inpatient days

Indicator: Emergency room visits (-)

QUARTERLY	PRIOR YEAR	CURRENT TARGET	ACTUAL	ACTUAL/ TARGET	ANNUAL	
					PRIOR YEAR	554,262
Q1					CURRENT YEAR TARGET	556,447
Q2	274,547	276,916	267,901	(3.3%)	PERFORMANCE STANDARD	673,774
Q3					YTD ACTUAL	532,579
Q4	279,715	279,531	264,678	(5.3%)	VARIANCE FROM STANDARD	(21.0%)

Indicator: Outpatient clinic visits (+)

QUARTERLY	PRIOR YEAR	CURRENT TARGET	ACTUAL	ACTUAL/ TARGET	ANNUAL	
					PRIOR YEAR	1,113,710
Q1					CURRENT YEAR TARGET	1,117,845
Q2	539,560	547,103	551,504	0.8%	PERFORMANCE STANDARD	823,134
Q3					YTD ACTUAL	1,098,256
Q4	574,150	570,742	546,752	(4.2%)	VARIANCE FROM STANDARD	33.4%

Indicator: Inpatient days (-)

QUARTERLY	PRIOR YEAR	CURRENT TARGET	ACTUAL	ACTUAL/ TARGET	ANNUAL	
					PRIOR YEAR	387,357
Q1					CURRENT YEAR TARGET	382,801
Q2	196,977	191,948	197,225	2.7%	PERFORMANCE STANDARD	318,227
Q3					YTD ACTUAL	390,747
Q4	190,380	190,853	193,522	1.4%	VARIANCE FROM STANDARD	22.8%

Analysis of Indicators:
The actual number of emergency room visits were 21% lower than the performance standard. The actual number of outpatient clinic visits and the actual number of inpatient days were 33.4% and 22.8% over the performance standards. The performance standards in the 1999 Appropriations Act were based upon an anticipated $39 million budget shortfall. Based upon the level of funding in the Executive Budget, HCSD anticipated a possible $39 million deficit due to merit increases, the 27th pay period and inflation factors not being funded. HCSD would have handled this shortfall through cuts in inpatient services. A cut in inpatient services would result in a decrease in inpatient days and outpatient clinic visits and

an increase in emergency room visits. This budget shortfall was not realized, therefore, the performance standards were not indicative of anticipated performance. Subsequently, HCSD revised their targets to more accurately reflect anticipated activity of the above indicators.

<u>The data of actual performance in the above table reflects a decrease in emergency room visits and outpatient clinic visits and an increase in inpatient days when compared to the 4th quarter targets and the prior year actual figures.</u> The reduction of visits in the emergency room is in line with HCSD's goals of reducing costly emergency room visits. However, the decrease in outpatient services and increase in inpatient services data is contrary to what HCSD has established as a goal of shifting from inpatient to more outpatient care at our state hospitals.

Additional information on each of these indicators is listed as follows:
Emergency room visits:
The actual number of emergency room visits was 5.3% below the 4th quarter target. The actual annualized year-end figure for FY 00 also decreased from the prior year's year-end figures by 3.9%. Three of the nine hospitals had a variance larger than 5%, but those hospitals had all decreased their emergency room visits. The decrease in emergency room visits at all hospitals may be attributed to the Disease Management initiatives implemented this year, and possibly by more Medicaid patients using private hospitals.

Outpatient visits:
The actual number of outpatient clinic visits was 4.2% below the 4th quarter target. The actual annualized year-end figure for FY 00 was also below the prior year's actual year-end figures by 1.4%. Those hospitals that were outside the 5% had also decreased their outpatient clinic visits. The following are specific hospitals outside of their variance:

1) University had a negative 9.1% variance because of the reorganization of the Internal Medicine Clinic resulting in fewer patients being seen;
2) Charity (MCLNO) had a negative 5% variance due to the cost avoidance measure of closing their walk-in clinic on nights and weekends;
3) Huey P. Long, Lallie Kemp and Washington St. Tammany all had a negative variance outside of the 5% due to budget constraints resulting in the loss of physicians or the inability to recruit physicians.

Inpatient days:
The actual 4th quarter figure for inpatient days exceeded the target by 1.4%, and increased over the prior year's actual annualized figure by .9%. The following is specific data on each hospitals inpatient days:

1) Earl K Long, Huey P Long, University Medical Center and Washington St. Tammany all reduced their inpatient days below the 4th quarter target;
2) WO Moss and LJ Chabert were over the 4th quarter target by less than 1%;
3) EA Conway exceeded the 4th quarter target by 4.7%, Charity exceeded the 4th quarter target by 4.3%, and Lallie Kemp exceeded the 4th quarter target by 22.3%.

Lallie Kemp had an unusually high 22.3% variance. The last quarter of the year Lallie Kemp's daily census and percent occupancy was high. The agency stated this variance is a result of an increase of patients with chronic respiratory illnesses, and an inability to transfer cardiac patients out to other facilities for additional services. This caused Lallie Kemp's average length of stay for patients to increase over the target as well. EA Conway experienced an increase in admissions due to flu and other viruses. Charity (MCLNO) reported that they experienced patients staying longer in the hospitals due to illnesses.

Budget Impact:
Disease Management was implemented as a means to aid the hospitals in providing more preventive care with the goal of creating healthier patients while keeping them out of the hospitals to lower costly hospital visits. These initiatives show a decrease in emergency room costs. The hospitals were appropriated $10.5 million for Disease Management for the current fiscal year, of which $1.2 million was in tobacco fund revenues and the remaining amount was IAT dollars (Medicaid and UCC revenues). HCSD supplied the following cost saving results realized by the Disease Management initiatives:

1) Huey P. Long has realized approximately $687,000 in total savings in their asthma and diabetes populations, with approximately $167,000 of those savings coming from the Emergency Department;
2) Lallie Kemp has realized approximately $618,000 in total savings in their asthma and diabetes populations;
3) L.J. Chabert has realized approximately $197,000 in total savings in their asthma population, and this reduction includes a 67% reduction in both emergency room visits and hospital admissions. They have also saved approximately $1,000,000 in total in their chronic heart failure population.

LFO Comment:
The funds spent on Disease Management reveal that these hospitals are taking steps to reduce costs in specific patient populations with initial savings of approximately $2.5 million, but these initiatives are designed to see significant changes in the long run. Based on the latest performance data, it appears the hospitals are moving in right direction in reducing costly emergency room visits, however, some of these costs may be shifting to

some private hospitals. The Legislative Fiscal Office has requested information relating to the Medicaid paying populations at the charity hospitals to help determine if they are possibly losing some of their Medicaid paying patients. Though there has been a decrease in emergency room visits, the decrease in outpatient visits and increase in inpatient days data are contrary to HCSD's goals. HCSD has indicated that the decrease in outpatient clinic visits is a result of budget constraints.

As evidenced by several reports to the Legislature, Louisiana's citizens are overall among the lowest in the nation in many health care statistics. The inpatient days indicator suggests that many of these unhealthy citizens are being admitted to the charity hospitals. Lallie Kemp had some cardiac patients that could not be transferred out to other hospitals and a high census of patients with chronic respiratory illnesses causing their inpatient days to be abnormally high. Certain situations may cause the hospitals to either reach their goals or fall short of them. To pinpoint exactly what is happening in these patient populations, it would help if there were other regional indicators encompassing all hospitals in that region to measure against HCSD's progress.

Research shows that Louisiana spends a significant amount more at the state level than other states to provide health care, mainly because our state has chosen to provide health care to anyone who is in need of services through a large, regional public hospital system. Many other states support their indigent health care through locally supported community hospitals, or with the use of local funds. This is a possible way to maximize the state's resources. The Legislative Fiscal Office is looking at how other states specifically fund their public hospitals. <u>HCSD, the Legislative Fiscal Office, and other staffs, both public and private, are currently engaging in discussions and formulating ideas about changing the delivery of Louisiana's health care.</u>

Higher Ed	**All 2-Year and 4-Year Institutions**	**SCH. # 19**
		Analyst: C. Rome

Issue: **Freshmen to Sophomore retention rates are rising overall. Retention rates at most 2-Year Institutions are falling.**

Indicator: **Retention Rates (GPI)/General Comments**

2-Year Institutions	Number 1st Time Entering Freshmen Fall 1999	Freshmen to Sophomore Retention 97 to 98	Freshmen to Sophomore Retention 98 to 99	% Change
Baton Rouge CC	627	n/a	44.5%	n/a
Bossier Parish	551	n/a	60.3%	n/a
Delgado	1,286	56.3%	55.2%	-2.0%
LSU Alexandria	326	63.4%	56.1%	-11.5%
LSU Eunice	591	59.3%	64.6%	8.9%
Nunez	223	54.1%	45.7%	-15.5%
Southern-Shreveport	324	63.8%	59.0%	-7.5%
South La. Community College	n/a	n/a	n/a	n/a
Southern-Shreveport	n/a	n/a	n/a	n/a
2-YEAR TOTAL	3,928	n/a	n/a	n/a
4-Year Institutions				
Grambling	760	64.2%	68.7%	7.0%
LSU A&M	5,068	88.0%	88.3%	0.3%
LSU-Shreveport	504	70.0%	71.2%	1.7%
Louisiana Tech	1,672	84.0%	82.8%	-1.4%
McNeese St	1,451	59.9%	64.4%	7.5%
Nicholls St	1,355	66.3%	66.9%	0.9%
Northwestern	1,373	68.9%	73.5%	6.7%
Southeastern	2,686	70.3%	70.3%	0.0%
Southern A&M	1,715	59.4%	65.8%	10.8%
Southern-NO	351	58.2%	57.3%	-1.5%
UNO	1,716	73.8%	76.4%	3.5%
Univ of LA - Lafayette	2,947	70.9%	73.1%	3.1%
Univ of LA - Monroe	1,580	70.6%	67.8%	-4.0%
4-YEAR TOTAL	23,178	n/a	n/a	n/a
PUBLIC INST TOTAL	27,106	71.0%	72.0%	1.4%

Analysis of Indicators:

Data Analysis:

The retention rate increased 1 percent from from 71.0% in 1997-98 to 72.0% in 1998-99. The data indicates that approximately 2/3 of students returned to the institution of original entry or transferred to another public higher education institution in the state. However, retention rates for 2-Year institutions are falling. The Board of Regents has told our office that retention rates at 2-Year institutions are highly affected by economic factors such as employment. Students at such institutions may choose to work instead of continuing their coursework. The Board of Regents plans to review the lower retention rates at 2-Year institutions and provide further analysis and recommendations at a later date.

Budget Impact:

The Board of Regents and 4-Year higher education institutions plan to move to higher admission requirements. These higher admission standards should: 1) lower the overall populations at such schools, and 2) increase their retention and graduation rates. These changes should result in a substantial savings for the state as the "failure" rates decline; thus less state funding is wasted on noncompleters. Furthermore, as enrollment decreases, funding per student increases, addressing the funding issue.

LFO Comment:

This indicator is one of the most useful indicators of the 4-year higher education institutions of Louisiana. It is important to have a high rate of retention of freshmen at Louisiana's 4-year public higher education institutions in order to improve graduation rates.

The LFO would like to see better performance indicators at the institution level. Specifically, the LFO has suggested to the Board of Regents that a set of similar "base" indicators for all universities be developed. In reviewing higher education performance indicators we found very few that measured how efficiently universities are using resources. The following are examples of such "efficiency" indicators suggested by SREB:

1. Number of student credit-hours taught at lower, upper, and graduate divisions.
2. Number of hours classroom and other facilities are used.
3. Student/faculty and student/administrator ratios.
4. Amount of faculty time spent teaching, researching, and engaged in public service.
5. Percentage of courses, by level, taught by full time faculty, part time faculty, and graduate assistants.

Louisiana Technical College **SCH. # 19-649**
Analyst: Sam Bishop

Issue: **Double-counting the number of individuals utilizing the vocational technical system.**

Indicator: **Cumulative Enrollment**

QUARTERLY	PRIOR YEAR	CURRENT TARGET	ACTUAL	ACTUAL /TARGET	**ANNUAL**	
					PRIOR YEAR	53,086
Q1	21,114	0	0	N/A	CURRENT YEAR TARGET	44,454
Q2	12,370	0	0	N/A	PERFORMANCE STANDARD	32,642
Q3	10,936	0	0	N/A	YTD ACTUAL	49,196
Q4	8,666	44,454	49,196	10.7%	VARIANCE FROM STANDARD	50.71%

Analysis of Indicators:

This indicator is designed to provide the Legislature with information on the number of individuals enrolled either in preparatory, short-term training, or extension programs within the Louisiana Technical College. During 1999-2000, cumulative enrollment was designated a supporting indicator and reported only during the second and fourth quarters. It is a cumulative measure which is best finalized during the fourth quarter.

Data collected for the 1999-2000 academic year, indicates 49,196 individuals were enrolled within the technical college system. The Performance Standard was estimated at 32,642. That is, the actual number of individuals enrolled exceeded the performance standard by 16,554. During the 1998-1999 period, total enrollment in the technical college system was approximately 53,086. Table 1 (see attached information) provides a comparison of 1998-1999 and 1999-2000 cumulative enrollment for each campus of the Louisiana Technical College The number of individuals utilizing the technical college system during the 1997-1998 was 46,229.

An analysis of the data indicates the following: First, only four of the forty-two campuses did not achieve targeted enrollment while the remaining thirty-eight campuses exceeded their goal. Second, the 1998-1999 Actual (53,086) exceeded 1999-2000 Actual (49,196) by 3,890. This, in part, is due to the methodology used in determining both 1998-1999 and 1999-2000 cumulative enrollment. In 1998-1999 there was no methodology in place which would prohibit, under certain circumstances, the counting of students twice. For example, if a student is enrolled in a short-term computer upgrade course during the Fall Quarter while enrolled in a drafting program, during the Summer Quarter, he/she maybe counted twice. However, it should be noted that 1999-2000 cumulative enrollment continued to include a measure of double counting. As a result, cumulative enrollment is more precisely defined as the number of people served. Subsequently, its use as a longitudinal measure is limited.

Budget Impact:
Currently LAPAS provides only campus wide enrollment information. However, supporting data from each campus would indicate demand for existing programs of study and/or training. Over time, low enrollment may indicate a need for programmatic adjustments including possible closure or merger of individual campuses. However, this impact is currently offset by the issue of double counting. As a result, any budgetary impact is difficult to determine due to inaccurate data.

LFO Comment:
The Board of Supervisors of Community and Technical Colleges has established as a priority the improvement of its data collection methods within the Louisiana Technical College.

This will occur in three steps: First, was a clarification of data terminology, definitions and methodology. Although not quantifiable, it has been suggested this, in part, provides a possible explanation for the decline in cumulative enrollment. However, cumulative enrollment continues to include a measure of double counting. Second, is the proposed installation of a systemwide data management system designed to capture and maintain information on student enrollment data while maintaining both the human resource and financial functions of each institution. This database system will consist of three modules (student enrollment, human resource and financial) and, in the case of the Louisiana Technical College allow each campus to electronically forward all information to the LTC Central Office. Installation is scheduled to be completed in two phases: Phase 1 is scheduled to include the Louisiana Technical College and the following community colleges (South Louisiana, River Parishes, Nunez and Delta). Phase 2 will include Bossier Parish, Delgado and Baton Rouge Community Colleges. This will be a multiyear project having an estimated cost of $6.9 million. However, the installation of the LTC’s student data collection module should be completed by Fall 2001. Third, the Board of Regents will have a discussion with the House Fiscal Division, Office of Planning and Budget and the Legislative Fiscal Office regarding 2002/2003 performance indicators. This should result in a dramatic overhaul of higher education performance indicators.

Table 1
Cumulative Enrollment
Louisiana Techncial College
Comparison of 1999-2000 Actual to the Performance Standard
1998-1999 Actual, 1999-2000 Perfromance Standard and Target and 1999-2000 Actual

No.	Campus	1998-1999 Actual	Performance Standard	1999-2000 Target	1999-2000 Actual	1999-2000 Variance Number	Percentage	Notes
1	Acadian	856	698	725	691	(7)	-1.00%	Lower due to JTPA freeze as well as much less short term training. Also, GED & Job Skills were offered in 98/99 & not 99/00. This figure is the Total of Short Term & Prep. Enrollment.
2	Alexandria	1,931	629	1,904	1,675	1,046	166.30%	Target number based on historical data. Current economic Indicators show higher employment rates; therefore, lower enrollment.
3	Ascension	934	886	785	785	(101)	-11.40%	
4	Avoyelles	1,341	718	1,372	1,426	708	98.61%	
5	Bastrop	875	485	775	723	238	49.07%	Lower due to close of CDT; did not start new P.N. class; some extension classes did not make.
6	Baton Rouge	2,812	918	1,500	1,260	342	37.25%	Enrollment includes preparatory, basic skills, and evening division.
7	Charles B. Coreil	530	406	406	609	203	50.00%	Heavy recruiting was performed by our campus.
8	Delta-Ouachita	1,385	1,000	1,000	1,385	385	38.50%	Based on all enrollment: prep and non-prep. Revision of extension selections greatly increased contributing enrollment.
9	Evangeline	512	512	550	698	186	36.33%	Increase in high school students and CNA student
10	Florida Parishes	432	267	325	337	70	26.22%	Variance due to increase enrollment in Health Occupations
11	Folkes	335	310	425	418	108	34.84%	Decrease in preparatory program enrollment.
12	Gulf Area	1,123	923	1,000	1,101	178	19.28%	More students than expected enrolled.
13	Hammond	395	353	389	428	75	21.25%	Enrollment was higher than projected; therefore, higher enrollment and skills attainment achieved.
14	Huey P. Long	487	455	455	456	1	0.22%	
15	Jefferson	2,197	700	2,200	2,328	1,628	232.57%	Enrollment reflects growth of extension program.
16	Jefferson Davis	624	349	613	652	303	86.82%	Enrollment exceeded expectations.
17	Jumonville	1,193	1,200	1,020	1,136	(64)	-5.33%	Overall enrollment exceeded goals due to higher enrollment in some classes such as Welding.
18	Lafayette	3,687	1,648	3,000	3,471	1,823	110.62%	Qtr. 4 actual larger than expected.
19	Lafourche	1,568	516	1,165	1,146	630	122.09%	
20	Lamar Salter	523	397	447	660	263	66.25%	Had greater enrollment than prior year.
21	Mansfield	577	360	400	392	32	8.89%	
22	Natchitoches	860	517	935	1,065	548	106.00%	Increased customized/extension enrollment.
23	North Central	483	250	480	570	320	128.00%	Short-term training programs increased considerably for the current year, causing the overall cumulative enrollment to exceed expectations.
24	Northeast LA	630	538	400	438	(100)	-18.59%	Started new EMT class before end of quarter.
25	Northwest LA	1,782	1,749	1,749	1,777	28	1.60%	
26	Oakdale	524	450	501	583	133	29.56%	Increase due to new program added under contract with Bureau of Prisons and due to increase enrollment in Criminal Justice program.
27	River Parishes	1,801	391	1,850	642	251	64.19%	Enrollment wasn't as high as anticipated.
28	Ruston	614	310	385	405	95	30.65%	Had more enrolled than anticipated.
29	Sabine Valley	334	330	330	497	167	50.61%	Large number of life-long learners, addition of new business program, and large enrollment in business.
30	Shelby M. Jackson	802	693	693	722	29	4.18%	
31	Shreveport	1,223	1,223	1,223	2,096	873	71.38%	
32	Sidney N. Collier	2,275	733	972	1,633	900	122.78%	Same as above.

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33	Slidell	476	476	800	1,066	590	123.95%	GED included; number of 8 hour Food Safe courses.
34	South Louisiana	2,335	1,269	1,984	1,985	716	56.42%	
35	Sowela	3,958	3,120	3,120	3,641	521	16.70%	A new associate degree program in Criminal Justice has been added.
36	Sullivan	1,573	566	1,300	1,429	863	152.47%	Comment the same as Quarter 2.
37	T. H. Harris	1,478	1,110	1,210	1,387	277	24.95%	Qtr. 4 enrollment increased more than expected.
38	Tallulah	1,158	775	775	965	190	24.52%	High enrollment continues.
39	Teche Area	682	680	1,005	1,017	337	49.56%	
40	West Jefferson	1,245	1,200	1,200	1,596	396	33.00%	Same note as quarter 2.
41	Westside	1,308	782	1,336	1,468	686	87.72%	Outcome went beyond expectations
42	Young Memorial	3,228	1,750	1,750	2,437	687	39.26%	Increase in cumulative enrollment results from implementation of Incumbent Worker Grants. These grants provided customized training in Welding, Automotive Tech. & Marine Operations.
	Totals	**53,086**	**32,642**	**44,454**	**49,196**	**16,554**	**50.71%**	

Source: LAPAS, 1999-2000 4th Qtr.

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Source: LAPAS, 1999-2000 4th Qtr.

Education **State Activities** **SCH. # 19-678**

Analyst: Craig Gannuch

Issue: **Regional Service Centers' performance measures indicate a sharp decline in services provided. This decline may be due to an inaccurate set of measures for activities and a higher than normal vacancy rate among professional positions.**

Indicator: Number of RESC school improvement/assistance activities conducted

QUARTERLY	PRIOR YEAR	CURRENT EST	ACTUAL	ACTUAL /EST	ANNUAL	
					PRIOR YEAR	2,942
Q1	616				CURRENT YEAR TARGET	3,001
Q2	1,373	1,501	727	(51.6%)	PERFORMANCE STANDARD	2,926
Q3	2,326				YTD ACTUAL	2,723
Q4	2,942	3,001	2,723	(9.3%)	VARIANCE FROM STANDARD	-2,723

Indicator: Number of School Improvement/Assistance Participants

QUARTERLY	PRIOR YEAR	CURRENT EST	ACTUAL	ACTUAL /EST	ANNUAL	
					PRIOR YEAR	70,971
Q1	20,154				CURRENT YEAR TARGET	72,390
Q2	36,897	36,195	14,738	(59.3%)	PERFORMANCE STANDARD	100,287
Q3	57,478				YTD ACTUAL	55,493
Q4	70,971	72,390	55,493	(23.3%)	VARIANCE FROM STANDARD	-55,493

Indicator: No. of Staff Contact Hours provided in School Improvement/ Assistance Activities

QUARTERLY	PRIOR YEAR	CURRENT EST	ACTUAL	ACTUAL /EST	ANNUAL	
					PRIOR YEAR	11,411
Q1	2,816				CURRENT YEAR TARGET	11,639
Q2	5,452	5,819	2,453	(57.8%)	PERFORMANCE STANDARD	14,668
Q3	8,662				YTD ACTUAL	10,102
Q4	11,411	11,639	10,102	(13.2%)	VARIANCE FROM STANDARD	-10,102

Analysis of Indicators:

The eight Regional Service Centers provide training and technical assistance to local school districts. Support to the local districts are generally provided in the areas of accountability, special education services for school age children (6-21 years old) and infants, toddlers, and preschoolers, and the federal disadvantaged children services program (Title 1), the safe and drug free schools program (Title 4), and the effective schools program (Title 6). The recent focus of the centers has been in the areas of the accountability process and in training the district assistance teams that work with low performing schools.

The Department attributes the above negative variances in improvement/assistance activities, participants, and staff contact hours to (1) a change in the method in which it delivers its services to the local school districts and to (2) a difficulty in filling vacant professional program positions as follows:

(1) The Regional Service Centers have conducted more research in response to the needs expressed by the local school districts. In an effort to provide greater research and focused assistance efforts, the number of activities conducted, number of school participants, and number of staff contact hours provided in assistance activities has declined Each regional center may focus on different subject areas relative to the concerns of a particular region or district. The Department has suggested changes to its current indicators, which do not allow for the accurate measurement of these activities.

(2) The Department further contributes negative variances to a higher than normal program vacancy rate which diminishes the centers' ability to deliver services. For Fiscal Year 2000, the Regional Service Centers have experienced a 15-20% vacancy rate among its professional program positions.

Since the implementation of the accountability system, the centers have redirected their services to enable school districts to comply with the system. The Louisiana school accountability model measures and reports on student achievement and attempts to facilitate school improvement. The system establishes minimum achievement levels, sets growth targets for all schools, rewards schools for exceeding their growth targets, and provides support and assistance for schools falling into corrective action categories for failing to meet growth targets. There are currently fifty-seven low performing schools identified under the accountability system in corrective action Level 1. The Regional Service Centers focus their efforts on providing support to low performing schools.

Budget Impact:
There are no direct budget impacts as a result of these measures. As background information, the Regional Service Centers are funded at $4.6 million and 72 positions. Approximately $2 million is funded by state general fund, with the remaining amount funded with federal funds.

LFO Comment:
Due to a significant policy change in the method in which services are provided by the Regional Service Centers to the local school districts, the Legislative Fiscal Office will work with the Department of Education relative to the formulation of a set of performance indicators that provide a better measure of agency activities. The Department indicates that services to the local districts have not suffered, but the above indicators do not accurately

measure these activities. The Department should further evaluate the professional program positions at the Regional Service Centers should a higher than normal vacancy rate continue.